

U.S.-Owned Firm  
Ordered by France  
To Ship Pipe Parts

Compiled by Our Staff From Dispatches

PARIS — The French government ordered a subsidiary of a U.S. company on Monday to defy Washington's embargo and execute its contract to supply equipment to build the Soviet natural gas pipeline.

The Ministry of Research and Industry told Dresser France, a subsidiary of Dresser Industries of Dallas, to supply the Soviet Union with 21 compressors for the pipe line between Siberia and Western Europe.

A Soviet freighter is to start loading three Dresser compressors Tuesday in the port of Le Havre. The ministry said that "in order

The Soviet Union has ordered the pace of work on the Siberian pipeline to be at least doubled. Page 2. For John Brown of Britain, like other European companies, Soviet pipeline orders are vital. Page 7.

To ensure that the companies are able to continue manufacturing their equipment and to ensure that the equipment is delivered on schedule, the government felt it was advisable to adopt a measure allowing it to reinforce the legal situation of these firms in the case of litigation eventually being brought before foreign courts.

Sources at the Industry Ministry said the government had requisitioned the services of the company, invoking a 1959 law.

Under this law the directors of the subsidiary become responsible to the French government and not to the U.S. parent company.

The sources said the law covered only contracts for the pipeline and left the rest of the company's activities under the control of the parent company.

No officials at Dresser France were available for comment.

On June 18, President Reagan broadened the ban on the export of U.S. equipment for the pipeline to include foreign subsidiaries of American companies and European companies that purchase U.S.-licensed equipment.

U.S. administration officials said Monday in Washington that the French government told the State Department late last week that French officials will, if necessary, invoke emergency powers to reacquire the equipment.

A U.S. decision on what action

to take could come Tuesday, when a National Security Council working group that met during the weekend recommends under Secretary of State George P. Shultz, an administration official said.

He said that lawyers from the State, Defense, Commerce and Justice departments are still hopeful that Dresser officials can be persuaded to take additional steps to stop the shipment.

## 2 Options Cited

Moreover, the official said, the administration is planning to tell the French government through the State Department that Mr. Reagan takes the export ban seriously and intends to enforce it.

Another administration official said Sunday that the two specific options studied are to seek a temporary restraining order in a U.S. District Court against the Dresser subsidiary's shipment and to take administrative action against Dresser, perhaps going so far as to cut off its French subsidiary from future equipment supplies.

The official added, however, that Dresser officials in Dallas have done most of what a court order would require them to do and have ordered French-based Dresser executives to stop the shipment.

Some officials sympathized with Dresser's position, noting that if the company is successful in stopping the shipment, its French executives face severe penalties.

If, on the other hand, the shipment is delivered, the U.S. parent company faces severe sanctions under the U.S. Export Administration Act.

Defense Department officials reportedly are recommending taking a hard line with the French as a means of deriving important economic and technological aid to the Soviet Union.

At the same time, the State Department is known to be searching for a solution that would allow Mr. Reagan to maintain his hard-line position while finding a loophole for the Europeans to make good on contract commitments.

Britain, West Germany and Italy have also said they will ignore the U.S. export restrictions.

A number of other shipments are scheduled to begin later this month, including one by a British firm, John Brown Engineering, whose major components are supplied by General Electric of the United States.

## Spadolini Government to Restore Same 5-Party Coalition That Fell

Compiled by Our Staff From Dispatches

ROME — Giovanni Spadolini formed Italy's 42d postwar government Monday, restoring to office the five-party coalition that fell Aug. 7 and ending a government crisis.

Mr. Spadolini, a member of the small Republican Party, presented to President Sandro Pertini a list of the same 28 Cabinet ministers who were in the coalition before the Socialists withdrew their support and forced Mr. Spadolini to resign as premier.

The Socialists and their partners have since papered over their differences.

By forming the government again, Mr. Spadolini averted the threat of elections this autumn, although political analysts said elections may only have been postponed until the spring.

The coalition consists of Christian Democrats, Socialists, Social Democrats, Liberals and Republicans who together have 369 seats in the 630-seat Chamber of Deputies, the lower house. Reviving the former coalition was seen as a major personal success for Mr. Spadolini, a history professor who last year became Italy's first premier since World War II who was not a Christian Democrat.

He selected the same ministers I had the honor to lead over the last 13 difficult months and with whom I completed a vast economic recovery program," Mr. Spadolini said.

He was referring to the deficit-cutting, anti-inflationary package that the Cabinet approved a few days before it was brought down by the Socialists.

The efforts of the new government for change will be concentrated on the program," Mr. Spadolini said.

Mr. Spadolini, who was appointed by Mr. Pertini to succeed himself, is to present his five-party coalition to Parliament for a vote of confidence, probably by the middle of the week.

The dominant Christian Democrats, with 38 percent of the popular vote in the 1979 elections, were allocated the largest share of Cabinet positions, 15. The Socialists have seven, the Social Democrats three, the Republicans two and the right-center Liberals one.

The Socialists resigned from the coalition after the Parliament rejected their tax bill, which would have tightened tax regulations for petroleum companies and forced

them to pay interest on unpaid taxes. The Socialists claimed that Christian Democrats, although their party supported the measure publicly, had sabotaged the bill by voting against it in a secret ballot.

The two parties later reached an uneasy truce, and both backed Mr. Spadolini's attempts to revive the rejected tax bill in Parliament.

The Christian Democrats complained about participating in a coalition with the Socialists.

But for the government to have the majority in Parliament, the Christian Democrats had to join forces with the Socialists and the other small parties of the political center or else allow the Communist Party, Italy's second largest party, with 31 percent of the popular vote, into the government.



United Press International  
Palestinian fighters, many of them holding up V signs, were taken to Beirut's port on Monday for evacuation to Southern Yemen. Monday's contingent was the third to leave Beirut in three days.

## Third Group of Guerrillas Leaves Beirut After Brief Delays

## Explosion of Car Bomb Slows Departure for Cyprus

Compiled by Our Staff From Dispatches

BEIRUT — About 1,000 Palestinian guerrillas sailed for Southern Yemen on Monday aboard a Greek cruise liner, the third such group to be evacuated from West Beirut since Saturday.

Monday's group, sailing via Cyprus, left behind schedule on the Piraeus-registered Alkyon.

One delay was caused as a car bomb exploded about a mile from the convoy after the guerrillas were assembled and loaded aboard trucks at the Beirut municipal stadium. Security forces checked to make sure no bombs had been planted along the evacuation route.

for seven hours over whether the guerrillas could take 21 jeeps with them. The Israelis, who had blocked the port with gunboats, finally agreed to let the Cypriot vessel Sol Phryne sail after U.S. officials agreed to seal to it that the jeeps would be unloaded in Cyprus.

The jeeps were unloaded Monday in Limassol, Cyprus. Cypriot soldiers drove the jeeps from the main hold of the Sol Phryne, and the ferry prepared to leave for the guerrillas' eventual destination, Tunisia.

In Jerusalem on Monday, Israeli officials warned guerrillas not to violate a cease-fire in eastern Lebanon under cover of the withdrawal from West Beirut.

They also repeated warnings to Syria from Defense Minister Ariel Sharon that the Palestinians must cease attacks on Israeli positions from behind Syrian lines in the Bekaa Valley of eastern Lebanon.

An Israeli military spokesman said the guerrillas had violated the truce Sunday night by firing mortars and bazookas at Israeli positions.

An Israeli official said the United States was aware of the serious view that Prime Minister Menachem Begin's government took of violations in the Bekaa. He added:

"We have shown restraint because we do not want to disrupt the evacuation of the terrorists from Beirut, but our soldiers cannot be expected to hold their fire when they are shot at."

During the weekend, nearly 1,400 others left via Cyprus for Jordan, Iraq and Tunisia under an evacuation plan negotiated by the U.S. special envoy, Philip C. Habib.

The third group loaded buses Monday in West Beirut's sports stadium as their leftist Lebanese Moslem comrades fired the thunderous machine gun and anti-aircraft volleys that have marked each PLO departure since the evacuation began Saturday.

About 15 minutes after it left the stadium, the convoy stopped as a car bomb exploded about a mile away, sending a cloud of thick black smoke into the sky. There was no immediate word on casualties from the car bombing.

The convoy was not endangered, but it stopped for an hour at Bour Abu Haidar Street as PLO security

(Continued on Page 2, Col. 3)

## Gemayel Is Selected President of Lebanon Over Moslem Boycott

The Associated Press

BEIRUT — Bashir Gemayel, commander of Lebanon's biggest Christian militia, was elected president of the country by the Chamber of Deputies on Monday in a vote heralded by Christians with victorious gunfire and decryed by a Moslem radio station as the outcome of a "day of shame."

Mr. Gemayel, 34, who overcame strong opposition and a Moslem boycott of the election called for a "new era of peace" in a radio broadcast from his Beirut command post.

After the vote — 57-0, with five abstentions on the second ballot — supporters of the president-elect, including children, brought out their weapons and fired fusillades of victory from the rooftops and windows of Christian-held East Beirut.

Tens of thousands of people took to the streets, hugging and kissing one another and honking car horns. Some carried a gun in one hand and a transistor radio in the other to listen to election results.

"It's the best news since the war started," said a vegetable stand vendor as he ran screaming down the street in the middle-class Christian neighborhood of Ashrafieh.

Mr. Gemayel called a halt to the gunfire celebrations but they did not stop, and ambulances sped through the streets carrying people wounded by the bullets.

"I hope that we can say today that the war has come to an end and that a new era of peace, security and tranquility has begun," Mr. Gemayel said in an interview on his Voice of Lebanon radio station. He will succeed Lebanon's sixth president, another Maronite Christian Elias Sarkis, who leaves office Sept. 23.

But there was no celebration among the Moslems and leftist leaders whose forces bailed Mr. Gemayel's 8,000-strong militia in Lebanon's 1975-76 civil war and who boycotted the special parliamentary session in an unsuccessful attempt to deny him the necessary quorum for an election. He was the only declared candidate.

Prime Minister Menachem Begin of Israel sent Mr. Gemayel a congratulatory message. The text of the note read: "I wish you warmest wishes from the heart on the occasion of your election. May God be with you, dear friend, in the fulfillment of your great, historical mission for the liberty of Lebanon and its independence. Your friend, Menachem Begin."

Israel has backed Mr. Gemayel's Christian militia with \$100 million.

(Continued on Page 2, Col. 6)



Bashir Gemayel

Christian neighborhood of Ashrafieh.

## PLO Pullout Stirs Soul-Searching by Divided Israelis

By James Feron  
New York Times Service

do not. And the same divisions are found in the government.

The two-and-a-half-month war has been the longest since Israel's war of independence. It is the first in which Israeli forces were involved in military action in a city.

A man in Tel Aviv who remem-

bers of the nation's war said that "until now, in every war, one had to be bigoted to say that Israel was in the wrong. In this one, a fair-minded person could say it."

He smiled and spoke ironically of something an intelligence officer had said several years ago, when Syrian forces entered Lebanon.

"He asked me, 'Do you know what it is to get involved in Lebanon? They'll never get out.' But now I see that perhaps we can say the same thing about our own involvement."

The world blamed us for killing civilians in a city where the terrorists had hidden women and children," he said, "but it said nothing about the terror they caused around the world, not only in Lebanon."

Israel's image of itself is seen by a diverse population in many ways. There are those who are concerned about the nation's image abroad, while others are not. Some see the war as justified, while some

see it as a just cause.

It was seen by many as not a war of defense. Always we were the poor little Israel. Now we were the Goliath, and the polarization with Israel also meant that people became involved who were never in-

volved before."

"I remember the first time we saw on Israel TV a little boy coming out of the rubble with his hands up," he said. "People asked, 'Is he holding his hands up to us?' It recalled a Holocaust picture we wanted to forget."

"It was seen by many as not a war of defense. Always we were the poor little Israel. Now we were the Goliath, and the polarization with Israel also meant that people became involved who were never in-

volved before."

Rankers are likely to be sympathetic to Mexico's request for up to \$1 billion in new loans. Page 7.

are often two or three times those of their American counterparts.

But inflation, which averaged around 25 percent per year during the boom and may reach 100 percent this year, is far ahead of the rise in the minimum wage earned by most Mexicans.

In political terms, however, perhaps the greatest irritant has been the blossoming of Mexico's traditional affliction — corruption.

Ordinary Mexicans have long complained that they must pay bribes to traffic policemen and lesser bureaucrats, but business men now say that kickbacks to officials on government contracts reached record levels, with the state oil monopoly, Petróleos Mexicanos, considered among the worst offenders.

Over the past four years, the government's motto was "growth with inflation," and this policy resulted in the creation of 4 million new jobs. But while economic growth was averaging 8 percent annually, non-oil exports stagnated and the increase in the government's foreign debt from \$25 billion to \$33 billion doomed the country to a financial crisis. "The country grew too fast," a foreign banker said, "and it lived beyond its means. It's that simple."

## INSIDE

■ Japan will change offending passages in textbook accounts of World War II. Premier Zenko Suzuki, seeking to end a bitter dispute with China and South Korea, acknowledged Japan's responsibility for its military past and promised to change the passages. Page 6.

■ Wall Street's frantic buying spree continued as volume totaled 110.3 million shares, the second-highest on record. The Dow Jones industrial average was up 21.88. Page 7.

■ The dominant Christian Democrats, with 38 percent of the popular vote in the 1979 elections, were allocated the largest share of Cabinet positions, 15. The Socialists have seven, the Social Democrats three, the Republicans two and the right-center Liberals one.

The Socialists resigned from the coalition after the Parliament rejected their tax bill, which would have tightened tax regulations for petroleum companies and forced

choice but to look to the government for support in the crisis.

Yet many Mexicans inside and outside the government are expressing alarm. They see the crisis as evidence of the failure of the country's economic strategy and political system to adjust to the rapid change of the past decade. And they argue that if stability is

The challenge that awaits Mr. de la Madrid is therefore enormous. In the short run, he will be forced to slash government spending and preside over rising unemployment and myriad company bankruptcies. And in the long run, he must rebuild public confidence in the honesty and efficiency of the government and design an economic strategy that will not lead the country to a new financial crisis.

Aggravating the uncertainty, President José López Portillo, who is widely blamed for the crisis, is in his final months in office, and his lame-duck administration has at times seemed virtually crippled. But President-elect Miguel de la Madrid Hurtado cannot provide immediate leadership, because tradition requires that he remain out of view until his inauguration Dec. 1.

No Serious Trouble

For the moment, however, despite a widespread feeling of malaise that expresses itself in wild rumors and frequent stampedes to buy dollars, there are no signs of serious unrest. Pro-government movements still control most workers and peasants, the middle classes have no political vehicle and the private sector has little

industry was protected by tariff barriers, an antiquated tax system was able to survive and huge public deficits were covered by foreign borrowing.

Over the past four years, the government's motto was "growth with inflation," and this policy resulted in

# Shultz, Weinberger Say Palestinian Settlement Is Essential

By Don Oberdorfer  
*Washington Post Service*

WASHINGTON — The Reagan administration's top foreign affairs officials said Sunday that a long-range Palestinian settlement was essential for peace in the Middle East.

In separate television interviews on the second day of a new era of dispersal of Palestinian guerrillas, Secretary of State George P. Shultz and Defense Secretary Caspar W. Weinberger spoke in sympathetic terms of the needs and requirements of the Palestinian people and suggested broadly that the United States was preparing to take new diplomatic steps in their behalf.

Both officials steered clear of endorsing an independent Palestinian nation on the Israeli-occupied West Bank and Gaza, which has been a central demand of the

Palestine Liberation Organization and many of its adherents among the 4 million Palestinians spread throughout the world.

Neither Mr. Shultz nor Mr. Weinberger explained how Palestinian objectives could be reconciled with the views of Prime Minister Menachem Begin's government.

## 'Sense of Dignity'

Appearing in his first broadcast interview since becoming secretary of state, Mr. Shultz said on NBC's "Meet the Press" that "the establishment of a situation where the Palestinian people can have some sense of dignity and control over their lives is very important and an essential part of any agreement."

Avoiding the term "self-determination" on the ground that it had come to stand for a Palestinian nation, Mr. Shultz said that "the main point is that the Palestinian

people have a voice in determining the conditions under which they're governed."

Mr. Shultz also said that his reading of United Nations Security Council Resolution 242, which was the underpinning of post-1967 Middle East peace efforts, including the Camp David agreements, requires Israel to withdraw from some or all of the West Bank and Gaza.

In answer to a follow-up question, he qualified this statement by calling his view "a matter of interpretation" that leaves much room for negotiation.

## A Negotiated Settlement

A negotiated settlement under which Israel would withdraw from large parts of the West Bank was contemplated by Israel's Labor governments. Mr. Begin has adamantly opposed this, contending that the area belongs to Israel.

Mr. Weinberger, speaking on "Face the Nation" on CBS, was more explicit than Mr. Shultz about the ideas on Middle East peace that the administration is formulating.

## Series of Steps

He said U.S. officials were working on "a series of steps that we would certainly hope others would want to support" to lead to a regional settlement.

Asked if there could be peace without a Palestinian state, Mr. Weinberger replied, without specifics, that "the Palestinian people certainly have to have some kind of an understanding that they, too, are entitled to some of these normal attributes that other peoples in that part as well as other parts of the world have."

Mr. Shultz was asked if he had in mind "a homeland" for the

Palestinians on the West Bank and Gaza, a term used at times by President Jimmy Carter to the grave concern of the Israeli government.

"Well, certainly that is a place that many of them call home, and a place that they'll live, and they should have a participation in determining the conditions under which they live," Mr. Shultz replied.

## Accords Rejected

The Camp David accords provided for the participation by Palestinians in the autonomy negotiations and for a Palestinian "self-governing authority" to exercise a degree of power in the five-year period of autonomy.

But the Palestinians rejected the Camp David accords and refused to participate in the negotiations. The eventual powers of the "self-

governing authority" are still at issue in Egyptian-Israeli talks.

Mr. Shultz said continued construction of Jewish settlements on the West Bank was "not constructive." At the same time, Mr. Shultz went out of his way to say that Israel was not responsible for all the problems of the region, expressing concern that the interchange with his interviewers might have left that impression.

Mr. Shultz said he expected to meet Foreign Minister Andrei Gromyko of the Soviet Union next month at the opening of the UN General Assembly.

He said he and Mr. Gromyko "quite possibly" would discuss a meeting between President Reagan and President Leonid I. Brezhnev, but he said such a conference should take place only if it promises "some identifiable, constructive results."

# WORLD BRIEFS

## New Peace Initiative Is Seen for Gulf

NIAMEY, Niger — The secretary-general of the Islamic Conference, Habib Chami, said Monday he had discussed with Iraq and Iran the possibility of a new initiative aimed at ending the 23-month-old war.

He said he met separately Sunday with delegates from the two countries just before the conference's annual meeting of foreign ministers opened here. A date for the initiative to start may be set soon, he said.

The Iranian delegation walked out of the opening meeting Sunday when Foreign Minister Sadoun Hammadi of Iraq rose to speak, but returned when he had finished. Each side blamed the other for starting the war. The organization's newly elected president, Daouda Diallo, foreign minister of Niger, put a temporary halt to the dispute by postponing Iraq's response to the Iranian statement.

Officials from 40 delegations were to go into committee sessions Monday to discuss the Gulf war, the Soviet presence in Afghanistan and the Lebanon crisis.

## Ghohzadeh Verdict Weighed in Iran

LONDON — A military court in Iran has adjourned to consider its verdict on former Foreign Minister Sadegh Ghohzadeh, who faces a possible death sentence on charges of leading a plot to overthrow Iran's fundamentalist Islamic government, the Iranian news agency reported Monday.

According to IRNA, Mohammed Ray Shahri, a clergymen serving as the investigating judge, said Sunday that evidence showed that Mr. Ghohzadeh and his accomplices planned to kill the revolutionary leader, Ayatollah Ruhollah Khomeini. Mr. Ghohzadeh, 47, a former aide of the ayatollah, told the court he plotted with a monarchist group to topple the regime, the agency said. He also admitted spending \$40 million to carry out the plot with the help of military officers, it added.

Sources said Mr. Ghohzadeh had helped the court track down others involved in the alleged plot. Last week, they said 70 officers had been executed for their part in the purported conspiracy.

## U.S. Court Sentences Spy to 15 Years

AUGUSTA, Ga. — Otto Asells Gilbert, convicted as a spy, was sentenced to 15 years in prison Monday for trying to buy U.S. military secrets.

Mr. Gilbert, 50, pleaded guilty July 1 to one count of conspiring to receive and transmit classified military documents. In exchange for his plea, three other counts of espionage were dismissed. He had been scheduled to go to trial July 6. U.S. District Judge Dudley Bowen sentenced Mr. Gilbert.

Mr. Gilbert, a native Hungarian who immigrated to the United States in 1957 and became a naturalized citizen in 1964, was arrested April 17 in downtown Augusta by the FBI after he paid \$4,000 to an Army warrant officer from Fort Gordon for classified documents. The warrant officer was cooperating with the government.

## Macao Policeman Arrested in China

MACAO — Chinese border guards arrested a Macao policeman who crossed into China on Monday in pursuit of an illegal immigrant.

The policeman was on border patrol when he saw a group of Chinese trying to enter Macao, authorities said. While other border patrolmen detained the group, the policeman chased one person who fled back across the border. The policeman was not approached by Chinese guards until he fired what were apparently warning shots. The guards arrested him and the immigrant.

It was the first time in 30 years that a policeman from Macao was detained on Chinese territory. Macao authorities said they were trying to get the policeman released.

## Woman Joins in Salyut Experiments

MOSCOW — Svetlana Savitskaya and her four male colleagues were reportedly "feeling well and in a good mood" Monday as they began their third day of experiments aboard the Salyut-7 space station.

The policeman was on border patrol when he saw a group of Chinese trying to enter Macao, authorities said. While other border patrolmen detained the group, the policeman chased one person who fled back across the border. The policeman was not approached by Chinese guards until he fired what were apparently warning shots. The guards arrested him and the immigrant.

It was the first time in 30 years that a policeman from Macao was detained on Chinese territory. Macao authorities said they were trying to get the policeman released.

Compiled From Agency Dispatches

## Poles Protest 'Slander' On Western Broadcasts

*The Associated Press*

WARSAW — Angered by recent protests and apparently fearing more Poland's martial law authorities said Monday that they had demanded a halt to Western radio "slander" and warned supporters of the suspended Solidarity trade union that any new demonstrations would receive a "firm" response.

The Foreign Ministry summoned the heads of four Western embassies to protest "propaganda subversion against Poland," the official PAP press agency reported. It did not say when the meetings took place or who was involved.

However, officials of the U.S. Embassy said the deputy chief of mission had been called to the Foreign Ministry to receive the protest last Friday, and British sources also said their chargé d'affaires had been summoned.

Officials of the French and West German embassies, the two others named by PAP, could not be reached for comment.

**Hot and Heavy**

"We've been getting it hot and heavy since last Dec. 13," the data martial law was imposed, a U.S. Embassy official said, in an apparent effort to downplay the diplomatic protest.

The state-run media has grown increasingly harsh in its attacks on foreign radio broadcasts that are heard here in Polish.

The diplomatic protests appear

## Swiss Trace and Block Millions in Calvi Funds

*United Press International*

LUGANO, Switzerland — Swiss authorities have traced and blocked millions of dollars transferred to Switzerland by Roberto Calvi, the Banco Ambrosiano president who committed suicide in London, justice officials said Monday.

After winning the simple majority allowed in subsequent voting, he was officially declared president-elect by Speaker Kamel Assad.

Lebanese elections are traditionally marked by violence, and before this one began a rocket exploded about 100 yards (91 meters) from the military academy. There were no injuries in the attack, which took place about two hours before the session, and no indication of who had fired the rocket.

Shortly after the election, the West Beirut homes of two members of parliament — Fuad Lahoud, a Maronite Christian, and Osman Danna, a Moslem — were blasted by anti-tank rockets, witnesses told Reuters. It was not immediately known who was responsible or whether there were any casualties.

**Aide Held in Legate**

Officials said the money had been transferred to Swiss banks, via Geneva and Zurich, from U.S. branches of Banco Ambrosiano.

The transfers allegedly were handled for Mr. Calvi by his personal aide, Flavio Carboni, who

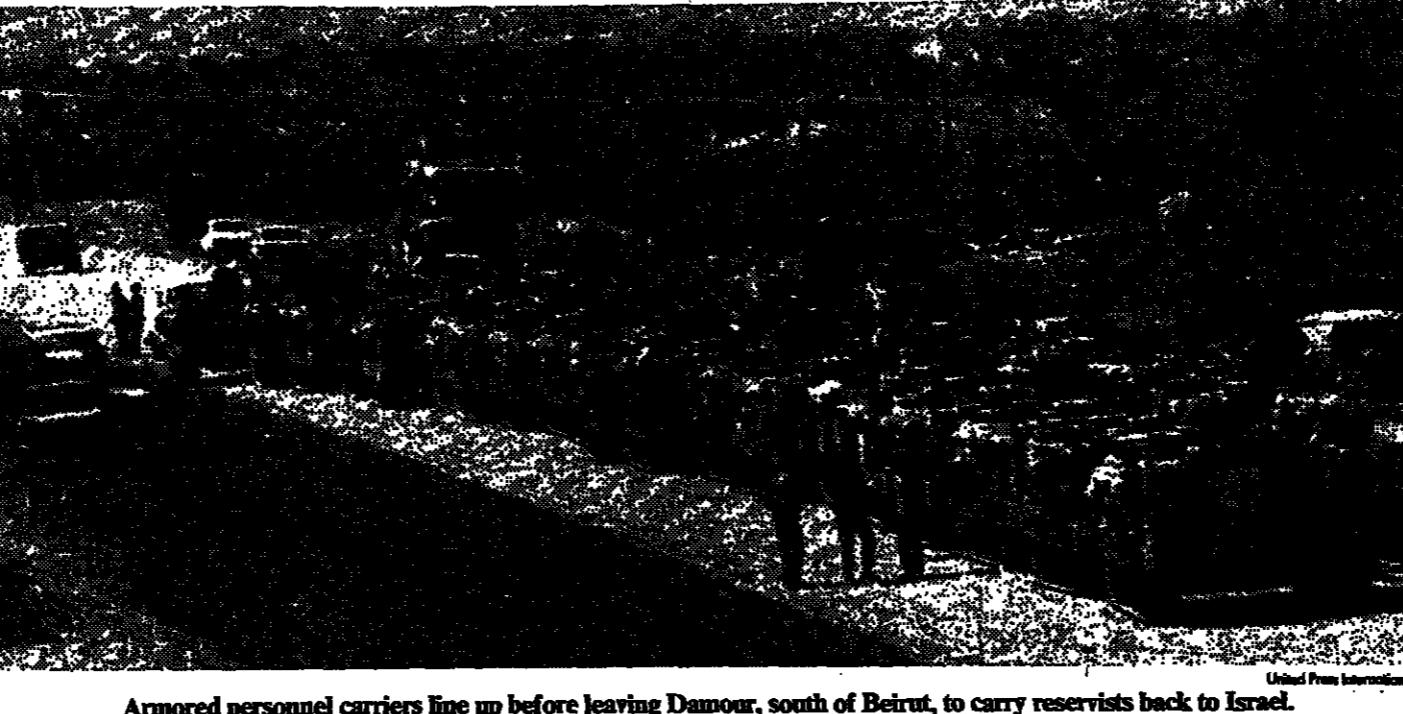
was arrested July 30 in Lugano on the basis of an Interpol warrant issued by Italian police, the Swiss sources said.

Mr. Calvi, 61, disappeared from his Rome apartment in July and was found hanging from a bridge in an attempt to commit suicide. The bridge was demolished.

Italy is seeking Mr. Carboni's extradition from Switzerland on an immediate charge of providing Mr. Calvi with false passport.

The Italians allowed to question Mr. Carboni in his Legate cell also allege that he may know what happened to Mr. Calvi's personal papers and luggage. The very rich Mr. Carboni has close ties to the Neapolitan Masonic lodge.

Mr. Carboni is fighting extradition and has told a Swiss examining magistrate that while he was with Mr. Calvi in London, he was a close friend, he knew nothing about Mr. Calvi's death or Banco Ambrosiano transactions.



## Soviet Union Orders Work Pace Doubled on Siberian Gas Pipeline

By John F. Burns  
*New York Times Service*

MOSCOW — In a move underlining the priority attached by the Kremlin to the controversial gas pipeline to Western Europe as well as the problems facing construction crews, the Soviet government has ordered the pace of work on the project to be more than doubled.

An article in Pravda last week said the two ministries principally involved had concluded that crews clearing the route and laying the 2,800-mile (4,500-kilometer) pipe, as well as those building pumping stations and living quarters for operating personnel, would have to step up their tempo by "two or two and a half times" if the project is to be completed ahead of time, as ordered by the Kremlin.

The disclosure appeared to confirm other indications that the huge construction battalions assembled for the project are running into problems meeting the schedule.

The first gas is due to be delivered to a terminal point on the border between Czechoslovakia and West Germany in the spring of 1984.

President Reagan's move two months ago to delay the pipeline's completion by reinforcing a ban on the use of equipment made in the United States or made under license from U.S. companies joined the Kremlin into a crash program.

The resulting decree from the Communist Party's Central Committee presented the Ministry of Construction of Petroleum and Gas Industry Enterprises, which is

## Vietnam Reverses China Overtures

*Reuters*

BANGKOK — Vietnam reversed Monday its call for negotiations with China on a peace treaty, Radio Hanoi reported.

It quoted the official Communist Party daily Nhan Dan as saying, "Vietnam's sincere proposals, which were reiterated at the Indo-chinese foreign ministers' conference in July, still stand."

The newspaper called for contacts to be arranged in preparation for a resumption of negotiations.

**Soviet Turbine 'Superior'**

Yet, within three weeks of Washington's extension of the embargo in June, officials were declaring that Soviet versions of the turbine had been checked out on the test benches at the Nevsky Zavod complex in Leningrad and found to be "superior in performance" to the equipment made with GE technology.

The Russians have shown in the past that their command economy is capable of extraordinary achievements, and few engineers or diplomats doubt that the turbines can be built.

But reliability is another matter. Soviet experts have disclosed that the staple of the gas industry until now, domestically produced 10-megawatt units, require major overhauls every 800 hours, compared to more than 20,000 hours for overhauls for the GE units.

Speculation was stirred last month when the Kremlin announced the death "in tragic circumstances" of Georgy A. Aradit, a deputy minister of the gas construction industry, who had direct responsibility for the development of the new turbines.

There was nothing in the announcement to link the death to the new program, but the vagueness of the phrasing led to suggestions that he might have died in a testing accident.

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## In U.S. Senate, Republicans' 'New Right' Gives Way to Pragmatic 'Old Center'

By Helen Dewar  
Washington Post Service

seen for Co  
of the Islamic Co  
with Iraq and  
their 23 members  
agents from the  
of foreign minis  
to be set aside  
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Iraq rose to a  
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in Afghanistan

purifying the doctrine," said Sen. Mark O. Hatfield of Oregon, a Republican moderate.

WASHINGTON — A year and a half ago, when "New Right" Republicans packed the Senate's back benches and men such as Strom Thurmond of South Carolina, Orrin G. Hatch of Utah, and Jesse Helms of North Carolina "took over" important committee chairmanships, the Senate looked as though it were changing into a citadel of conservatism.

But things have not turned out that way.

"When you're trying to change the status quo and the status quo is entrenched, it's difficult," said Sen. John P. East, Republican of North Carolina, one of the New Right freshmen and a Helms protege. "I don't think anyone had any illusions that it would be easy."

"They were preoccupied with

temper some of its more adventurous economic initiatives.

This had the effect, intended or not, of pushing such New Right issues as abortion and school prayer off to the side, where some of its post-election momentum of 1980 seems to have been lost.

Strong anti-busing legislation was passed by the Senate but only after a 10-month struggle that took its toll in members' patience, and the measure has virtually sunk out of sight in the House.

Abortion and prayer are now before the Senate, but they are mired in a parliamentary quagmire.

The administration's proposal for tuition tax credits for children in private schools, pushed by many conservatives, is in trouble. Capital punishment is unlikely to be taken up before year's end. Some of the right's more novel ideas, like deny-

ing crime-victim aid to rape victims who have abortions as a result, have been quietly sidelined.

A look back at the post-1980 committee records of Sens. Thurmond, Hatch and Helms is instruc-

Sen. Helms heads the Agriculture Committee, where he was in a commanding position to attack food stamps. But Sen. Dole, as chairman of the nutrition subcommittee, was able to limit cuts in food-stamp funding to far less than Sen. Helms wanted.

All three committee chairmen, principally Sen. Hatch, played a role in Senate passage of the constitutional amendment on balanced budgets, another pet project of the conservatives. But, as an election-year antidote to the political poison of high deficits, it had support stretching far beyond the right. And the amendment faces seemingly insurmountable problems in the House.

Perhaps even more illustrative of where real power in the Senate rests was the scene on the Senate floor late Thursday.

In the Senate of 18 months ago,

voting against abortion would have seemed a far safer bet than voting to increase taxes. Yet Sen. Helms, who had to wait a year and a half to get his anti-abortion crusade onto the Senate floor, was fighting a filibuster against the measure for the fourth day when he had to stand aside for passage of the tax increase bill largely drafted by Sen. Dole. Sen. Helms voted against the tax bill and now faces resumption of the filibuster when Congress comes back to town next month.

By his tactics, including backing out of an agreement to limit debate on the anti-abortion measure, Sen. Helms has angered some of his colleagues to the point that they say personal frustrations could influence crucial votes on the issue.

Sen. Helms has always had more strength outside the Senate than in it. He said Friday that the grass-roots conservative lobby had marshaled its forces to lobby senators on abortion during the two-and-a-half-week recess.

### Financial Backing

Sen. Helms' clout outside the Senate is bolstered by his National Congressional Club, which was recently reported to have spent \$8.7 million in the last 18 months, more than any of the other big political-action committees.

The problem is that the New Right has inadvertently activated other grass-roots forces, including lawyers and judges who are opposed to the way Sen. Helms would curtail pro-busing, pro-abortion and anti-prayer efforts by limiting the courts' jurisdiction over these issues.

As one example of reaction to the New Right, membership in the

American Civil Liberties Union, now about 275,000, has grown by about 75,000 since 1980, more than at any other time.

There are other explanations for why the New Right did not live up to its advance billing.

### Causes vs. Craftsmanship

One, cited by Sen. Hatfield, was that its power was overblown from the start. "It was largely an image that had been falsely created," he said.

A more frequently mentioned explanation is that senators like Sen. Helms have built a career upon causes, not experience in legislative craftsmanship.

Moreover, some say, their ideological intensity makes compromise difficult and tends to lead to schisms, as happened when anti-abortion forces split over what specific legislation to support.

In contrast, the Bakers and Dole of the Senate are experienced and adept at compromise.

The Republican centrists were also senior on the key fiscal committees, including Finance, Budget and Appropriations, when the Republicans took power early in 1981.

But Sen. East and others maintain that the New Right has made progress, nonetheless. "What we have now is a legislative climate in which these issues can be considered," he said last week.

## U.S. Considered Plan To Lend France A-Arms Before Dien Bien Phu

United Press International  
WASHINGTON — A National Security Council group considered lending atomic weapons to France to use in its war in Vietnam in 1954, before U.S. troops entered the conflict, State Department documents show.

It was one of several atomic options discussed at the highest level of the U.S. government long before the United States made major troop commitments to the conflict in the early 1960s, according to the documents.

President Eisenhower, wary of the perception that the United States would "replace French colonialism" with American colonialism, rejected any U.S. involvement in the conflict at that time, saying he would first have to put the idea of a "D-day invasion" to Congress and the allies.

There was no evidence that Eisenhower was presented with any proposal for the use of atomic weapons in Vietnam.

An aide to Secretary of State John Foster Dulles dismissed the suggestion, by Adm. Arthur Radford, the chairman of the Joint Chiefs of Staff, that the French use the weapons, the records show.

The developments are chronicled in previously unpublished memoranda included in "Foreign Relations of the United States, 1952-54, Volume XIII." The documents were released Sunday.

One of the options advocated by Adm. Radford, was to use three atomic weapons to aid the French forces, which eventually lost its war in Vietnam to the forces of Ho Chi Minh.

## Kidnapping of Abortion Doctor Shocks an Illinois Town

By Nathaniel Sheppard Jr.  
New York Times Service

GRANITE CITY, Ill. — In a town that has made news for the most part because of its dependence on the declining steel industry, the widely reported kidnapping of the director of a local abortion clinic and his wife has come as something of a shock.

In the economically depressed city of 34,000, values are conservative, people are outspoken, but law and order are revered.

"People here are quick to say what is on their minds about things they don't like, but most don't go for breaking the law," Roland Boykins said as he filled his car tank at a downtown service station.

"While the majority of people don't condone the abortion clinic, they tolerate it," Mayor Paul Schuler said in discussing the abduction of the center's operator, Dr. Hector T. Zevallos, 53, and his wife, Rosalie Jean, 45. "People were very shocked at his disappearance."

The Zevalloses were released unharmed a short distance from their home Friday morning, a week after they were said to have been kidnapped by a radical anti-abortion group calling itself the Army of God.

A letter from the group, found by the authorities, demanded that President Reagan denounce abortion as a condition of the couple's release, but it mentioned no cash ransom. Neither the FBI nor the Zevalloses would give details of the couple's week in captivity.

The notes contained the questions: "Would one 'new weapon' dropped on Vietnamese troop concentrations in reserve ... be decisive? ... Could French airmen make a proper drop? Would the French government dare take this step?"



Hector and Rosalie Jean Zevallos outside their Illinois home after their release by kidnappers.

Despite the opposition to the clinic, the kidnapping shocked the sensibilities of this town, Mayor Schuler and others said. "Hector has been here 15 to 20 years and is well-liked and respected," said the mayor, who is a pharmacist. "He

has delivered a lot of babies in Granite City."

Also disturbed by the kidnapping were Norman and Raymond Ruf, who live in a weathered neighborhood about two blocks from the clinic. Dr. Zevallos is Mrs. Ruf's gynecologist.

"I have no feeling about abortion one way or the other," said Mr. Ruf, a railroad switchman who has lived in the neighborhood for 21 years. "Taking sides on

whether you should or shouldn't have abortions is one thing, but I don't buy this kidnapping at all. Nobody likes that sort of thing around here."

He added, "This is a poor neighborhood, and a lot of the people in it use the clinic because of the federal aid available there."

Granite City, a quiet town about 20 miles (32 kilometers) northeast of St. Louis keeps to itself. Yet the city has been the focus of articles over the last two years detailing the effects of the decline in the economy because of its dependence on steel.

At the turn of the century, Granite City had 13 major industries employing about 16,000 people, according to Alan Richardson, executive director of the Chamber of Commerce. Today there are three major employers employing about 7,000 people — when times are good. These businesses are operating at about half of capacity, Mr. Richardson said.

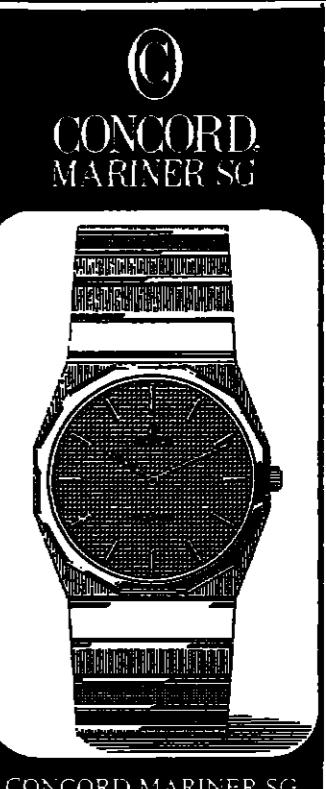
Uta Landry, executive director of the National Abortion Federation in Washington, said the Zevallos kidnapping had stirred a lot of panic among abortion clinics and that "they are all wondering who will be next." She said her agency had sent telegrams to its 240 members urging them to prepare for an increase in anti-abortion activities in the coming months.

She said personnel at some clinics had discussed the possibility of using guards and guns to protect themselves and that a clinic in Indiana had installed bulletproof glass.

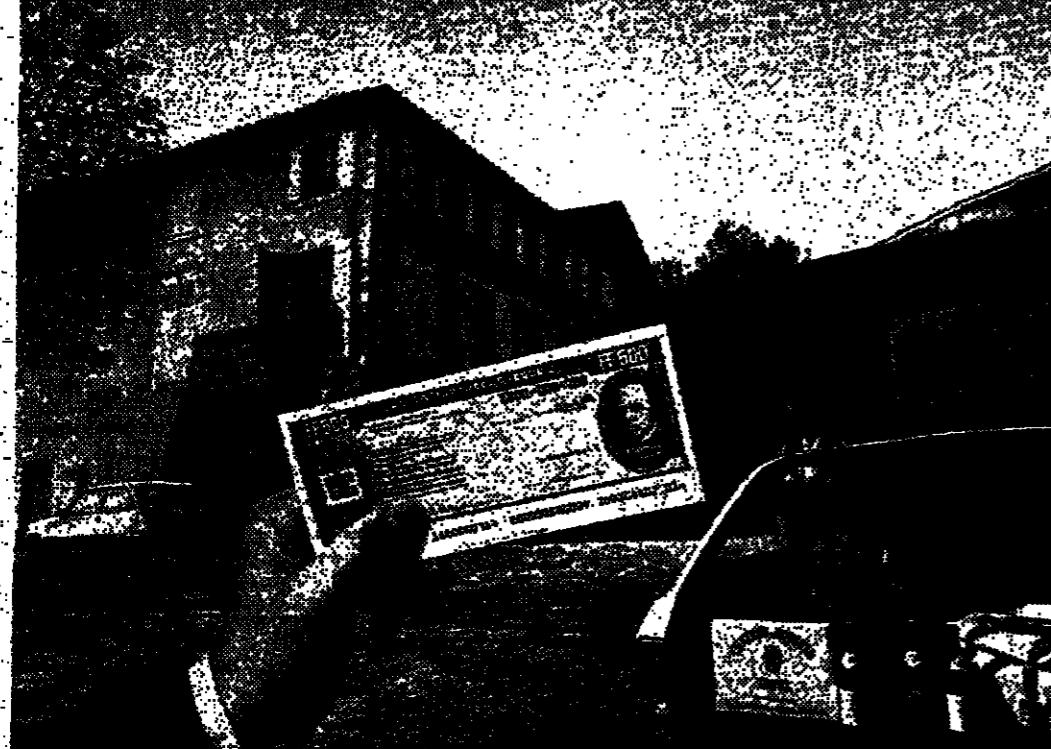
### U.K. Energy Use Off 3.5%

The Associated Press

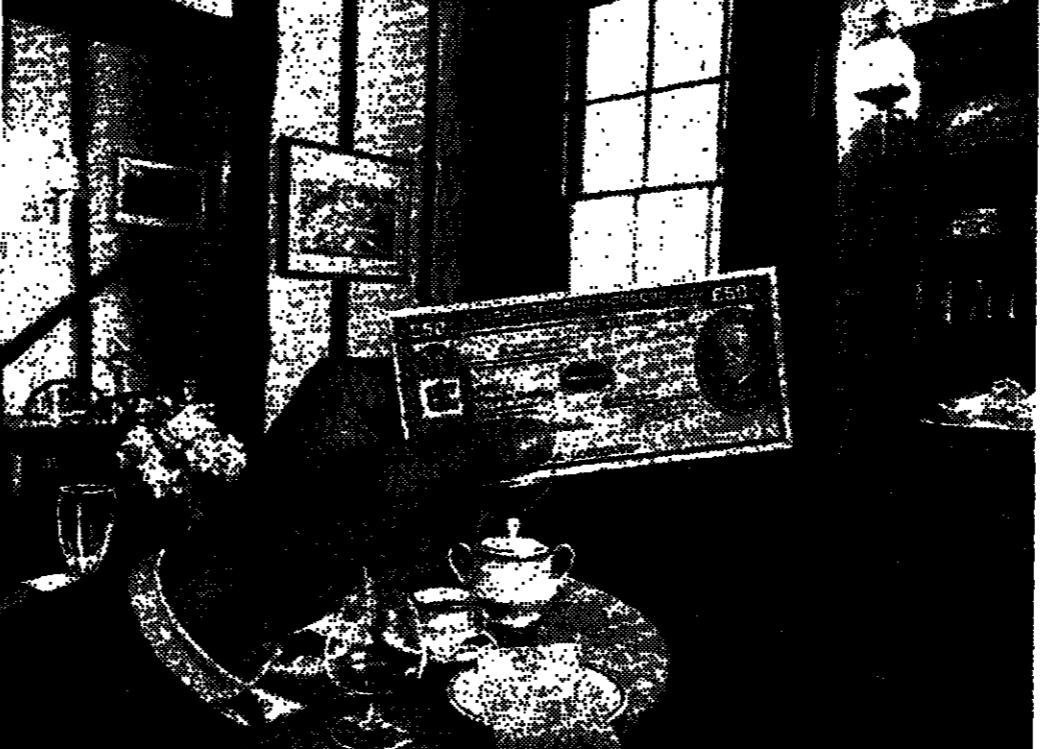
LONDON — Energy consumption in Britain fell 3.5 percent last year from the year before, the Department of Energy said Monday.



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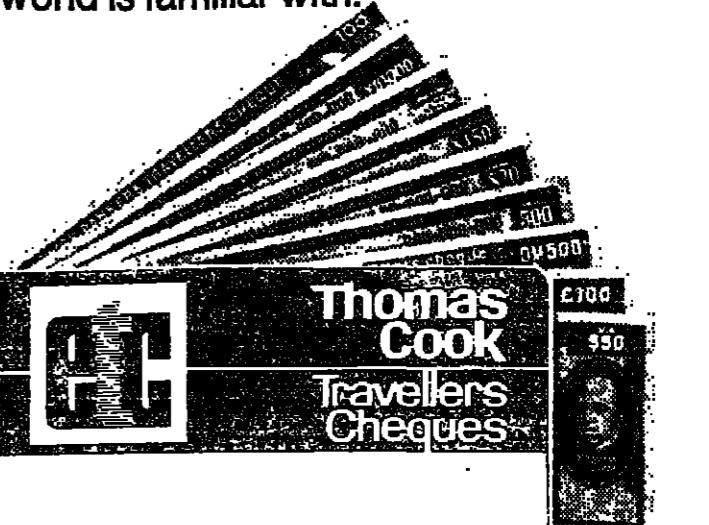
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# INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

## The Panic in Mexico

From THE WASHINGTON POST

Mexico's money troubles have turned into a three-alarm international emergency. The United States, necessarily, has extended first aid in the form of cash against future oil deliveries. Some of the commercial banks in the United States and in Europe are postponing payments on their loans. That is to try to prevent the present panic from spiraling into financial collapse. The second stage of help will be to larger loans from the International Monetary Fund with, as usual, conditions attached. The political repercussions will be severe in a country that until very recently was swept up in the boundless optimism of sudden oil wealth.

Oil and gas wealth and its recent history in the countries that it endowed in the 1970s, bring to mind the old fairy tales about people who found pots of gold. Those stories generally end with warnings about the sad effects of too much money, too fast. Two of the greatest beneficiaries, Iran and Iraq, are now at war with each other as their standards of living slide rapidly backward. The Dutch used their North Sea gas discoveries for huge increases in social benefits and wages. The result today is the highest unemployment in Europe and a budget deficit that is spectacular by even American standards. At the other end of the income scale, the recent decline in oil prices and sales has knocked Nigeria's ambitious development plans askew. Meanwhile, with the plan's emphasis on industrial expansion, Nigeria's ability to feed its own people has actually declined.

Mexico's experience deserves the closest attention by anyone who is trying to follow the strange effects of the oil revolution on the world's political economy. Mexico at first intended to keep its oil revenues at a moderate level set by its ability to reinvest the money productively in development.

But those good intentions got swamped in the sudden rush of new wealth. It suddenly seemed that the sky was the limit and, where oil revenues did not quite meet the ballooning demands, the big banks, mostly American, were happy to offer loans. Although Mexico's oil-led export earnings soared through the 1970s, by the end of the decade, the payments on foreign debts took a higher share of those earnings than at the beginning. Every calculation was based on an assumption of continued rapid increase.

With the modest but unexpected decline in oil prices beginning last year, however, the whole process began to run in reverse. As oil revenues dropped, the foreign banks began to get nervous and to cut off new lending. The shortage of foreign exchange has now touched off a feverish run on the peso. The remedy is going to require a retreat from social benefits already extended, let alone those promised for the future.

If the recent sag in the oil market has thrown Mexico into great jeopardy, it has also created a great test of American leadership in helping a neighbor return to stability. Americans — because of oil, because of the bank loans, above all because of proximity — have an interest in Mexican prosperity that is second only to that of Mexicans themselves.

## Thinking Big on Budget

From THE NEW YORK TIMES

reduce the deficit, the president and Congress have to do some more hard swallowing.

The country can no longer afford the president's belief that he can simultaneously reduce inflation, stimulate economic growth, lower interest rates, cut down the waste and sprawl in the federal government, bolster national defense, ease the tax burden and balance the budget. At long last, he needs to set priorities as the administration prepares for next year's budget message.

There is no obvious solution to the problem, but neither is there any dearth of suggestions for how to approach it. Sen. Ernest Hollings of South Carolina, a thoughtful leader among Democrats on budget matters, has recently proposed a package of measures that he says would pare \$65 billion from the prospective deficit in 1984 and more than \$100 billion in 1985.

It includes a one-year freeze on cost-of-living allowances in federal salaries and most benefit programs and a cap on increases thereafter, a sharp cutback in the growth of defense spending, elimination of next year's scheduled cut in personal income taxes and repeal of the cost-of-living indexing established by last year's tax law.

What is more, the CBO and the New York Fed both see the deficit rising after fiscal 1983. Three years from now, the Fed says, the deficit could be as high as \$187 billion! And every one of these estimates was based on the economic outlook a few months ago, which was better than it is now.

It all adds up to a shaky base for economic policy. With the tax bill out of the way, the Reagan administration owes Congress and the public a less wishful projection of where the economy is headed. If they really mean to

## Other Editorial Opinion

### Mitterrand on Terrorism

[President Mitterrand has] decided to adopt the highest possible profile in confronting the terrorists [responsible for recent attacks in France]; He has firmly deposited the prestige and credibility of the presidency, and his presidency, in the scales against it.

This looks remarkably like leading from the front, as well as a nicely judged stance halfway between complacency and panic. Rare indeed is the politician who is both calm and bold, and we hope his nerve holds.

Something else he said during his interview [on television last Tuesday] is distinctly less reassuring, however. He repeatedly associated France's present terrorist problem with her role as a principal Middle East peacemaker.

This direct equation is too simple and too narrow. It certainly accounts for the motives of Action Directe and various Arab extremists on French soil, but it does not cover Armenian nationalists, Spanish Basque separatists or Italian Red Brigades terrorists who flourish in France. Such people have abused France's almost unconditional right of political asylum, which remains in need of redrafting, for the sake of her neighbors as much as her own.

— The Guardian (London).

### Events in Lebanon

The perseverance of U.S. envoy Philip Habib has paid off. The planned withdrawal of Palestinian fighters from Beirut has begun.

Though only a half-measure, the evacuation plan has brought an end to the mass-

### AUG. 24: FROM OUR PAGES 75 AND 50 YEARS AGO

#### 1907: Russians Ask Protection

**YOKOHAMA**, Japan — In the midst of official felicitations over the new Russian agreement, the Russian minister has been compelled to appeal to the Foreign Office for protection of certain Russians, against whom an active press agitation is being carried on as suspected spies. This is the outgrowth of a sensational daylight murder in the streets of Tokyo of a Japanese named Mayeda by another named Imamura. The murderer alleges that he suspected Mayeda of becoming a Russian spy and killed him from motives of supreme patriotism. As both have been under police surveillance for their friendliness with Russians, the police theory is that Imamura killed Mayeda hoping to exculpate himself.

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# In Soviet Union, Sex Education Courses Focus on Health and 'Maidenly Honor'

By John F. Burns  
New York Times Service

MOSCOW — With a coyness that might be familiar to Americans who grew up in the 1950s, Soviet high schools have begun their first large-scale experiment in sex education, a topic that was once taboo and that still raises the hackles of many parents and bureaucrats.

Since last fall, 15 schools in Moscow and smaller numbers of schools in cities elsewhere in the country have been offering classes to students of both sexes in the eighth, ninth and 10th grades, mostly 14- to 16-year-olds.

Initial reports on the experiment appearing in the Soviet press suggest the pioneers must still tread warily for fear of reviving allegations that their efforts endanger the morality of Soviet youth.

A recent report in the weekly Nedelya gave some of the moralistic flavor of the undertaking. The writer, Yelena Mushkina, sat in on one of the classes for eighth-grade girls at School No. 146 in Moscow's Frunze borough, which has led the way in the capital by opening seven of its schools to the new classes.

The account quoted approvingly from the

opening structure of the instructor, a woman doctor from a local clinic.

"You girls are future wives, but unfortunately you know very little about your bodies," said the doctor, A. Yakushina. "So I want to talk about how one should treat one's health and how to protect it. And about maidenly honor: If you lose it, you'll be in a lot of trouble!"

It has taken educational innovators, psychologists and sociologists 20 years of lobbying and writing scholarly articles to win approval for what, in a nation of 80 million school-goers, is still a very restricted program.

Formal strictures against "bourgeois licentiousness" remain in force, and it is the projection of these official attitudes into the educational sphere that has complicated the efforts of reformers to get sex classes onto the curriculum.

The concessions that allowed the experimental program to proceed were only made when a mounting body of data published in demographic and sociological academic journals showed that the country was experiencing a

disturbingly high incidence of divorce, venereal disease and teen-age pregnancies.

Nearly one-third of all marriages in the Soviet Union end in divorce. Although a study in Leningrad five years ago rates drunkenness among husbands almost on a par with infidelity as a cause of marital breakdown, more recent surveys have suggested sexual dissatisfaction is a factor in as many as two-thirds of all cases.

Success in Estonia

The fact that one-third of all divorces occur within a year of the wedding has been taken as further evidence of the need for formal sex guidance for adolescents.

Those pressing for sex classes had their first success in the republic of Estonia, which has had such classes in all its general schools for 15 years, and later in the neighboring Baltic republics of Latvia and Lithuania.

After years of discussion, the Academy of Pedagogical Sciences drew up a pilot program and tested it in a handful of Moscow schools, but the lack of properly trained teachers led to some early debacles.

One example was quoted in a 1979 article in

Komsomolskaya Pravda, the newspaper of the Young Communist League, which described what happened when a biology teacher in Kaliningrad was entrusted with sex instruction.

"She read the appropriate literature and prepared a lecture that seemed to her to lie within the reach of her children's understanding," the newspaper said. "But no sooner had the poor teacher begun to speak than she was deluged with the most inconceivable, fantastic and absurd questions, based on barnyard anecdotes and idle conjecture. The teacher's face flooded with color, and she bolted from the classroom. On that note, the sad experiment came to its end."

## Batteries of Statistics

In recent articles on the broader experiment under way in Moscow, academic proponents have felt the need to hammer home the case for the classes with batteries of statistics on the incidence of premarital sex, accompanied by gloomy prognostications of the effect on the country if the trend is allowed to go on.

Dr. I.S. Kon, an ethnographer at an Academy of Sciences institute in Leningrad, wrote in

a recent issue of Sotsiologicheskiye Issledovaniya, a sociological journal, that "to a substantial degree young people today separate sexual involvement from the intent to marry."

Dr. Kon cited data that the number of children conceived before marriage was rising sharply — 23 percent in 1968, 28 percent in 1973 and 38 percent in 1978.

Nonetheless, he said, there was still a tendency to treat the subject of sexual relations "with what English called *false petit bourgeois modesty*." There were parents and teachers who opposed sex education in schools on the ground that biology courses provided all that was necessary and that "our ancestors got along fine without that knowledge."

Reported Dr. Kon: "They got along fine without electricity, airplanes and television, too, but we neither can nor wish to do without them."

In fact, he argued, contemporary Soviet children may be worse off when it comes to learning about sex than their grandparents' generation.

"Although peasant children didn't use to receive any scientific sex education," he said,

"they were less naive than today's schoolchildren: adult life went on right in front of them, and besides, all people had rituals that served the function of sex education."

"Nowadays, what substitute is there for this folk learning? Parents shun the subject and popular literature is published in such limited editions that it doesn't come close to meeting the demand."

In a country where women have an average of eight abortions during child-bearing years and where pregnancies can be ended on demand at a cost of less than \$10 the girls in the Moscow schools have been told that interrupting a pregnancy is harmful to their health.

Heavy emphasis has been put on the loss of honor involved in premarital sex, and, in one case chronicled by Nedelya, ninth-grade girls were invited to criticize a hypothetical 30-year-old bachelor who celebrates his freedom "to invite any girl out to a movie, to dinner — no obligations, no worries."

"The teacher," Nedelya said, "directed the conversation to the problem of loneliness, moral purity and the supreme joy of becoming a father."

## Successor to Swaziland's Monarch Will Be Drawn From Huge Family

Compiled by Our Staff From Dispatches

JOHANNESBURG — The death of King Sobhuza II of Swaziland could precipitate a succession crisis in the small country, which is situated between white-ruled South Africa and the black state of Mozambique to the east.

The king, Radio Swaziland reported, died Sunday at the age of 83 after 61 years of rule. He was the world's longest-reigning monarch.

Traditionally in Swaziland, a successor is not chosen until after a king's death, so that he cannot become a rival during the monarch's lifetime. The choice of a new king among family members is wide. King Sobhuza had more than 100 wives, more than 500 children and untold numbers of grandchildren and great-grandchildren. It is said that more than 20 percent of the citizens of the country of 550,000 bear the ruling family's name.

King Sobhuza, called the Lion of Swaziland, among other appella-

tions, generally kept on good terms with both the segregationist government of South Africa to his west and the revolutionary government of President Samora Machel of Mozambique to the east.

### Increasing Pressure

But Swaziland has come under increasing pressure because of the tension between its more powerful neighbors. Black nationalist guerrillas based in Mozambique and fighting against South Africa have used Swaziland as a path into the white-ruled country, and blacks fleeing from South Africa have immigrated. At the same time, white South Africans have come in droves to gamble at the casino in Mbabane, Swaziland's capital.

South Africa has been preparing to cede territory to Swaziland that King Sobhuza contended historically belonged to the kingdom. An estimated 700,000 Swazis — more than live in Swaziland itself — make their homes in South Africa, and the gain of the territories

### Independence in 1969

Swaziland became independent from Britain in 1969. Four years later the king turned to absolute rule, abolishing the Westminster-style constitution bequeathed to him by the British and denouncing him as "un-Swazi." The change came after a general election brought a few opposition members into the national legislature to sit alongside the members of his Royal Party, who previously had held all the seats, some of them by appointment.

Swaziland is rich in mineral resources and King Sobhuza actively supported foreign investment and management, much of it remaining in the hands of a small minority of white residents. His hope was that such economic development would benefit his own people, most of whom were living in rural poverty. To a large extent, through exports and the development of its resources, this hope has paid off.

The king, a slender man who lived simply, preferred life at the royal *kral*, or village, outside the



King Sobhuza II of Swaziland in one of his many uniforms.

## Ulla Jacobsson, 53, Swedish Actress In Films of 1950s and '60s, Is Dead

The Associated Press

VIENNA — Ulla Jacobsson, 53, a Swedish movie actress who starred in "One Summer of Happiness" in 1952 and Ingmar Bergman's "Smiles of a Summer Night" in 1955, died Friday, reportedly of bone cancer.

In 1956, she appeared in the French production of "Crime and Punishment." In 1962, she co-starred with Glenn Ford in "Love Is a Ball," and a year later she had the leading female role in "Zulu," also starring Michael Caine and Jack Hawkins.

Leslie H. Warner  
NEW YORK (NYT) — Leslie

Frank C. Wright Jr.

NEW YORK (NYT) — Frank C. Wright Jr., 78, an inventor and painter, died Tuesday of cancer. In 1946, Mr. Wright joined the European Recovery Program, in which he developed a method of building houses for refugees in 24 hours. In the early 1950s, he was public relations director for Radio Free Europe.

Leslie H. Warner  
NEW YORK (NYT) — Leslie

King Sobhuza, called the Lion of Swaziland, among other appella-

capital, where he often wore a leopard-skin loincloth. He led the Swazi's many tribal festivities and rituals and was popularly and vari-

cously referred to as the Great Mountain, the Bull, the Son of the She-Elephant, and the Inexplicable.

## West Germany Pays East for Release of 49

United Press International

BONN — West Germany has paid East Germany to release 49 more political prisoners in the 18th such exchange this year, the International Society for Human Rights said Monday.

A spokeswoman in Bonn for the East-West German Affairs Ministry, which arranges the releases, refused to give any details of the transaction. But it is known the prices paid for prisoners range from 30,000 Deutsche marks (about \$12,000) for a laborer to five times that for a physician.

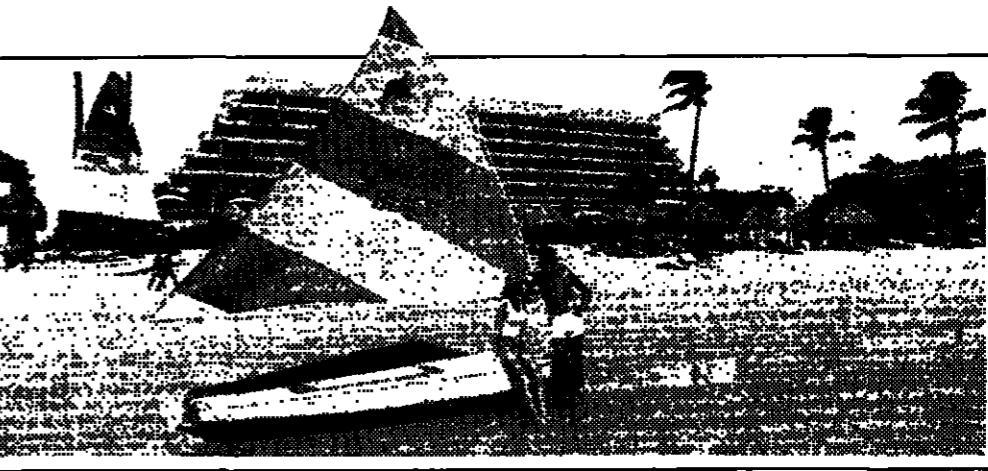
When the purchases began on a small scale in 1963 the West Ger-

man government paid for prisoners in unroasted coffee beans, butter, citrus fruits and machinery. Later the East German government demanded Deutsche marks.

One of the men released Thursday was Günter Kühlmann, 50, a justice official in the West German city of Lübeck, who was arrested Aug. 19, 1978, while traveling through East Germany to Poland.

He was sentenced to 12 years' imprisonment on a charge of helping East German refugees flee to the West.

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## Mozambican Insurgents Seeking Weapons Aid in the West

The Associated Press

LISBON — Representatives of a Mozambican rebel group plan a European mission designed to drum up support from Western governments for its attempt to overthrow the government of President Samora Machel.

The mission had planned to leave Lisbon on Monday. But a spokesman for the Mozambique National Resistance Movement said that the departure was delayed "due to organizational reasons." He added, however, that it would leave on Tuesday.

According to the mission's leader, the rebel group will be asking for increased arms supplies from friendly Western nations. The group's Lisbon spokesman, Evaristo Fernandes, said the mission would visit France and West Germany but that there were still doubts about a planned stop in Britain. He did not reveal its first destination.

## A. Bloomingdale Is Dead at 66; Was Diners' Club Chief

The Associated Press

SANTA MONICA, Calif. — Alfred Bloomingdale, 66, a millionaire businessman and close friend of President Reagan who was the target of a 29-year-old woman's "balmoney" lawsuit, died Friday of cancer, his office said Monday.

Mr. Bloomingdale and his wife, Betsy, often visited the Reagans at the White House and entertained them at their California home.

Mr. Bloomingdale, a member of Mr. Reagan's "kitchen cabinet" of advisers, was an heir to the Bloomingdale department store fortune but made his own millions as an executive of Diners' Club and other business. He was president of Diners' Club from 1955 to 1970 and chairman from 1964 to 1970.

Last month, Mr. Bloomingdale and his wife were sued for \$5 million by a woman who claimed that she had been promised lifetime support by Mr. Bloomingdale during a 12-year love affair.

In the lawsuit, Vicki Morgan, 29, said she had been Mr. Bloomingdale's companion since she was 17. Although she never had a live-in relationship with the businessman, she said, he was a "second father" to her son by another man. She said she had given up other job opportunities to serve as a traveling companion, confidante and business partner.

## U.S. Sees Threat of Intervention by Cuba

The Associated Press

WASHINGTON —

Cuba's

increasingly close military ties in the area," the report says.

It says Cuban forces sent to Angola in 1975 were crucial in enabling Marxist forces to achieve victory there and could play the same role in Central America.

"A battle-tested Cuban force interjected quickly into a combat situation in Central America could prove to be decisive," it says.

Discussing the role of the estimated 4,600 Soviet ground forces and military advisers in Cuba, the

report says that the Russians are there primarily to provide a "small symbolic commitment" to the regime.

Other probable duties include providing security for Soviet personnel and key Soviet facilities, particularly the intelligence-collection facility.

The Soviet brigade, the report says, "almost certainly would not have a role as an intervention force," although it is capable of tactical defense and offensive operations in Cuba.

Two provinces of Cuba, Matanzas and Villa Clara, are under martial law.

Police said the guerrillas assaulted the station at Vilcasaman, a town about 250 miles (400 kilometers) southeast of Lima. Officers fought with the guerrillas for nearly an hour early Sunday before the attackers fled, the authorities said.

Earlier, Mr. Belaunde labeled as traitors suspected leftists who blew up five electrical towers.

Two provinces in the Ayacucho area have been under a state of emergency for a month because of a recent escalation of guerrilla activity that has left 15 people dead since early July.

Police said the guerrillas

## U.S. Senate Panel Delays a Decision On Creating a Cuba-Oriented Radio

New York Times Service

WASHINGTON — The Senate Foreign Relations Committee has deferred action on legislation to create a government radio station whose broadcasts would be aimed at an external audience in Latin America.

The House of Representatives approved the bill this month by almost a 2-to-1 margin, and the measure is expected to win Senate approval if it is sent to the floor.

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2 Killed in Swiss Jet Crash

## ARTS / LEISURE

# Honoring Count Basie, Jazz's Great Catalyst

By Robert Palmer  
*New York Times Service*

**NEW YORK** — William (Count) Basie, the septuagenarian bandleader and pianist, has been getting some long-overdue recognition. A few months ago, the Black Music Association presented a tribute to Basie at Radio City Music Hall, with performances by Lena Horne, Stevie Wonder, Quincy Jones and other black superstars.

The new CBS cable television network devoted the first of what promises will be a series of specials on jazz to a Basie tribute featuring Tony Bennett and Sarah Vaughan, among others. The Book-of-the-Month Club has released a three-record set, "Count Basie: The Early Years," tracing his career from the mid-1930s through the early 1950s, and other reissue albums are on the way.

Several participants in the recent tributes, including Basie, have noted that artists can appreciate such recognition only while they are alive. Duke Ellington did not die unappreciated, but there were no elaborate celebrations like the Basie gala at Radio City. More disturbingly, Ellington was nominated for a Pulitzer Prize in composition, only to be passed over in favor of a more ordinary white composer working in a European-derived contemporary classical idiom.

The United States' cultural custodians have been slow to acknowledge the artistic validity and worldwide impact of the black American art music called jazz. Ellington wrote symphonic music, extended suites for his jazz orchestra, sacred music, and an enduring body of popular songs in addition to numerous jazz classics. Now, almost a decade after his death, he is widely recognized as one of the outstanding U.S. composers of this century.

But Basie is not likely to receive this sort of recognition in the foreseeable future. Although he wrote or co-wrote "One O'Clock Jump" and a few other swing-era gems, his contribution to American music cannot be accurately measured by his composer credits. The composer, all-important in the European classical tradition, is rarely as significant in jazz as the catalyst who can refine and blend traditional elements from black vernacular music into fresh new styles, or the bandleader who can fuse a disparate bunch of musicians into a performing unit greater than the sum of its parts, or the inspired instrumentalist who in turn inspires his fellow musicians.

Basie has certainly been a great instrumentalist and a great bandleader. But above all, he has been the great catalyst who combined the latest Southwestern jazz innovations and the old, irreducible essence of the blues into an explosive

mixture — the first authentically modern jazz. His original big band, the band that set the jazz world on fire when he brought it to New York from Kansas City in 1936, was imbued with what can be seen in retrospect as a thoroughly modern sensibility.

At first, this was most evident when Basie was prodding and provoking his brilliant, unorthodox tenor saxophonist, Lester Young, with offbeat dissonances, percussive thumping and daring extended silences. But it was also evident in the way the band used blues riffs, which became both the basic building blocks of "head" or extemporaneous brass and reed section arrangements, as well as thematic material to be developed or retold by soloists.

After World War II broke up the original band — and especially during the early 1950s when Basie started over with a small combo, repeating his transition from small band to big band — his modernism shone with added luster. Modernism may have meant bebop in the 1940s, but today it is more a spirit or an attitude than a style. It involves a thorough knowledge of the history of jazz; willingness to use elements from any or all of its eras, as needed; and the caliber of musicianship and insight that enables a player or bandleader to transform traditional materials into new music that is fresh and personal. This is exactly what Basie was up to in the 1940s and '50s, as one can hear on several recent record releases, most notably the Book-of-the-Month set.

## Five Octet

Like the extensive series of jazz reissues produced by Time-Life Records (which plans a Count Basie set), "Count Basie: The Early Years" attempts to strike a balance between comprehensiveness (to appeal to novice listeners) and rarity (a few unreleased or long-unavailable recordings, to appeal to more serious collectors). The set begins with Basie's sideman, working in the Benny Moten band of the early 1930s. The Basie-Young partnership is represented by the superb (and frequently anthologized) small-group performance "Shoe Shine Swing" and by a few familiar big band numbers such as "Roseland Shuffle" and "I Left My Baby" (a Jimmy Rushing blues feature).

Surprisingly (since compilations of this sort frequently have a traditionalist bias), "Count Basie: The Early Years" gives equal time to the less frequently reissued Basie recordings of the 1940s and 1950s. Don Byas, Buddy Tate and Illinois Jacquet are among the soloists who make the 1940s recordings so memorable. But Basie the modernist really shines on the six selections from 1950-51 that make up the collection's final side. There are by an octet that was surely, man for man, the finest band Basie ever led — with the possible exception of his 1936 big band.

The saxophonists Wardell Gray and Serge Chaloff (two gifted improvisers who recorded too little and died too young), the clarinetist Buddy DeFranco, and the slyly inventive trumpeter Clark Terry are all at the height of their powers on the octet's "Song of the Islands" and "Till I Remember April." These performances are modern, in the best, widest sense of the word, and also timeless. So are "Nails," "Little Pony," and "Beaver Junction," big band selections from 1951 that offer equally sublime Territory and Gray as well as the more muscular tenor of Lucky Thompson.

Two albums originally issued by Verve records in the 1950s and recently reissued in high-



Count Basie

quality Japanese pressings by Polygram shed additional light on Basie's modernism, particularly on his unique reconciliation of swing, bop and the blues. "Jam Session 4," an early album supervised by Norman Granz, finds Basie and a compatibly swinging rhythm section (Buddy Rich is superb on drums) backing solos by several alums of the early-1950s Basie octet and big band — Gray, DeFranco and the trumpeter Harry Edison — as well as Stan Getz, Benny Carter and Willie Smith. Gray's relaxed but ravishing lyrics light up a charging "Oh, Lady Be Good," and DeFranco proves once again that he was the greatest modern clarinetist.

## Charter Members

On Verve-Polygram's "Count Basie at Newport," the 1957 Basie band encounters chart members Young, Jo Jones and Rushing, as well as Jacquet and Roy Eldridge, for an unforgettable, supercharged concert performance that renders even the announcer, John Hammond, practically speechless. On some of the Basie "Young recordings from the late 1930s, "Roseland Shuffle" for example, one can hear Young deliberately using "false" or unorthodox fingerings to draw bluesy moans, slurs, and quarter-tone effects from his saxophone. His use of these devices was certainly avant-garde in 1936, but Young and Basie sound equally avant-garde on their 1957 Newport recording.

One of their choruses is a wildly exciting "Lester Leaps In," finds them using so many offbeat accents and jarring dissonances that they sound, fleetingly but unmistakably, like Charlie Rouse jousting with Thelonious Monk. Performances like this suggest that the swing bop controversies of the 1940s were more personality clashes than cases of musical incompatibility. The music on "At Newport" and "The Early Years" subsumes swing and bop into something grander and more lasting than any particular style. Call it jazz, call it great black music (as some younger musicians do), call it what you will; it is as worthy of a Pulitzer, or any other honor, as any sounds America has produced.

Res.

## Troupe Tours an Overview of U.S. Theater

# On Buying a Touch of Aristocracy

By Steven Rattner  
*New York Times Service*

**L**ONDON — For people who feel a craving for a touch of aristocracy, Strutt & Parker, a firm of British real estate agents, has the solution. For prices starting at about \$6,000, they will sell anyone the right to call himself — or herself — lord of the manor.

Lingering traditions are common in Britain, but one of the longest lingering and least known is the lordship of the manor. These titles — there are about 65,000 of them — date from feudal times, when the lord of the manor was a sort of municipal government, enforcing rules and levying fees.

Unlike peerages, which carry the right to sit in the House of Lords, lordships of the manor have no special privileges but also unlike peerages, they can be bought and sold. A lord of the manor cannot call himself Lord Smith, but he may style himself John Smith, Lord of the Manor of North Faubridge, or wherever.

"It satisfies a bit of fantasy," said Cecil Humphrey-Smith, a heraldic expert who owns "a few dozen" such titles. For the buyers, "it ties them to tradition when all around them things are changing, he said.

To all appearances, the attraction of that bit of fantasy is on the rise. For decades there was only an occasional transfer of a lordship of a manor. But in the past year, Strutt & Parker has encountered a horde of potential buyers as it has auctioned and sold 22 such titles.

## Neglected History

Among the new owners are a handful of Americans, including Denis Woodfield, director of treasury services at Johnson & Johnson in New Jersey, who became lord of the manor of Hampton almost two years ago.

"It is a neglected part of English history that has always fascinated me," Woodfield said by telephone. Did he ever use his title? "Of course not," he responded indignantly. "I'd be laughed at."

But he has visited his manor, west of London in Berkshire. The local residents to whom he explained his position evinced "an extreme lack of interest," he reported. "At the pub, the response was

polite interest by the publican, who asked if I would care for another beer."

Like Woodfield, many lords of the manor buy the titles because of the historical documents that come along with them; the price often directly reflects the importance of the papers. The manor of Orton Longueville in Cambridgeshire, now being offered by Strutt & Parker, comes with more than 100 indentures, wills, mortgages, assignments and other manorial records, the oldest dating from the 17th century.

Lordships of the manor began 900 years ago when the kings of England started giving their followers large tracts of land and vast powers in an effort to promote allegiance to the crown. From the start, the title could be sold along with the manor house and surrounding estates to which it was attached.

## Powers Diminished

By the late 19th century, the breakup of the great estates had substantially diminished the hold of the lords of the manor, whose powers had always been limited to their own lands. In 1925, Parliament abolished the last of the manorial governing and taxing powers and also made it possible for the title to be retained when the manor house was sold off, or vice versa.

"It's quite something to be able to draw up a chart that runs right back to the Norman Conquest," said Leslie Redford, a schoolteacher who recently became lord of the manor of Pleshey. "I bought it from a man whose family had had it since 1720."

A few lordships of the manor still carry with them mineral rights and, occasionally, the right to hold markets and fairs and perhaps to collect fees from stalls.

"Sometimes they can be valuable," said Robert Smith, chairman of the Manorial Society of Great Britain, who mentioned seven manorial titles. "I know one man who collects £2,000 a year [about \$3,500] for manorial strict rights."

At an auction of titles in June, one Dora Barter paid the equivalent of \$5,600 to be lord of the manor of Barrow, which carried with it mineral rights and the opportunity to collect the equivalent of 13 cents in rent for each telegraph pole on common land.

Res.

## Two recent works in the program illustrate the paradoxical trend in the U.S. avant-garde of returning to realism while exploring other personality types: One a man and properly buttoned-down Ivy League, is finally making his way through the Hollywood hierarchy as a scriptwriter. The other, a playboy, tries to live out the old American dreams of individual freedom on the last frontier; the Mojave Desert. Two aspects of the United States, the carefully controlled corporate state and the restless spirit, collide disastrously.

A study in contrasts, "True West" deals with the rivalry between two brothers of diametrically opposed personality types: One a man and properly buttoned-down Ivy League, is finally making his way through the Hollywood hierarchy as a scriptwriter. The other, a playboy, tries to live out the old American dreams of individual freedom on the last frontier; the Mojave Desert. Two aspects of the United States, the carefully controlled corporate state and the restless spirit, collide disastrously.

His "Rundown," a hallucinatory incantation oscillating between realism and surrealistic frenzy, takes place in the dreams and memories of Pay, an unstable Vietnam veteran, an who has lost his capacity to trust and therefore his faith in life. The play is a howl of rage as Pay tries to grope his way back to a semblance of normality.

The American Repertory Theater's version of "Lulu" — Frank Wedekind's "Der Erdgeist" (The Earth Spirit) and "Die Büchse der Pandora" (Pandora's Box) — is

transplanted to the United States; the expressionistic parable of rebirth and its discontents is updated to a Madison Avenue environment of high-gloss, high-fashion photography. Lulu, Wedekind's amoral earth spirit, becomes a figure of the media imagination, a figure men will fight and die for. Lee Breuer, a director known for his poetry of his visual images, weaves a nightmare of sexual violence from Wedekind's material.

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Shepard's Neorealism

Sam Shepard's "True West" typifies the neorealism of much recent U.S. theater. Once the fair-haired child of the cult who mesmerized critics with Delphic imagery and shattered archetypes, Shepard, like many of his contemporaries, has returned to straightforward narration, flesh and blood characters and ordinary language. Nevertheless, in the final scene of "True West," the everyday is heightened to the level of myth.

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New Hangover Antidote

The Associated Press

**TOKYO** — Japan's drinkers have been using 2,000-year-old ice, imported from guitars in Greenland, in their whisky glasses. Kyo-do news service has reported. Kyo-do said a Japanese liquor store started importing it as a novelty product a year ago, and it caught on. Drunks say the glacial ice gives drinks a special taste, and heavy consumers say it prevents hangovers, the agency said.

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The emphasis now is on development of small hydroelectric power stations, communications and transport, handicrafts and light industries suited to local conditions.

Mr. Yin believes that uranium reserves under Tibet's jagged peaks and rolling valleys are the world's largest. Although he gave no figures to support that claim, official reports say that rich reserves of chromium, borax, lithium and iron lie there. But because they remain untapped, their true value will not be known for years.

Res.

provinces, finishing at the bottom of a recent list published in the August edition of the official weekly, Beijing Review.

The Chinese are subsidizing the region by more than \$306 million this year.

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## INTERNATIONAL BUSINESS / FINANCE

TUESDAY, AUGUST 24, 1982

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## BUSINESS BRIEFS

## Fujitsu, NEC Raise Profit Estimates

TOKYO — Fujitsu and Nippon Electric Co. Monday revised upward their profit forecasts for the six months ending Sept. 30 based on improved export profits and strong sales of electronic appliances.

Fujitsu and its recurrent profit in the first half will increase to about 28 billion yen (\$110 million) from an original estimate of 22 billion, and compared with 19.7 billion a year earlier.

NEC said its recurrent profit in the period will rise to 19 billion yen from 18 billion predicted earlier this year, and compared with 17.3 billion in the year-earlier period.

## VW to Cut Work at Belgian Plant

BONN — Volkswagen will suspend production at its Brussels assembly plant and put about 3,200 of the 4,800 employees there on reduced work days for two weeks beginning Sept. 27, a VW spokesman said.

VW said last week it would halt production at all domestic plants over the same period, involving reduced time for about 75,000 of its 119,500 West German employees.

## Bonn, States to Discuss AEG Credit

BONN — The Economics Ministry has called talks for Tuesday with West German state governments on their possible participation in a planned 1.1-billion-Deutsche-mark (\$450-million) federal credit guarantee for AEG-Telefunken, a ministry spokesman said Monday.

State Secretary Otto Schleicht will seek backing from state finance and economics ministers for up to half the amount to be guaranteed by the federal government, he said.

Meanwhile, DG Bank Deutsche Genossenschaftsbank said Monday it has decided to take part in the 1.1-billion-DM bank credit for AEG. DG Bank was the only member of AEG's 24-member consortium of lenders that did not attend a meeting last Wednesday, at which more than 20 banks agreed to grant the credit, banking sources said.

## Indonesia Gets \$158-Million Credit

LONDON — Indonesia's state oil company, Pertamina, has raised 90 million pounds (\$158 million) through a loan arranged by Bankers Trust Co., Britain's Export Credits Guarantee Department said Monday.

The proceeds will help finance a contract awarded to Thyssen Steel for the construction of a plant near Palembang, South Sumatra, to produce textile feedstock from naphtha, according to the ECGD, which is guaranteeing the loan. Terms were not disclosed, but banking sources said interest on the loan was set at 7.6 percent and that the repayment period is 10 years and final maturity 15 years.

Bankers Trust said the loan is the first in a series of \$525 million in European export credits for projects being coordinated by Thyssen and Kettell Overseas Corp. of Houston. Apart from Bankers Trust, other banks in the syndicate are Chase Manhattan, Deutsche Bank, Industrial Bank of Japan, National Westminster and Sumitomo Bank. The ECGD said.

## Hewlett to Sell Portable Computer

PALO ALTO, Calif. — Hewlett-Packard Co. introduced Monday a \$995 portable computer, saying it may be the first on the market with real "computer characteristics."

The computer, called the 75C, is Hewlett's first portable computer and enters a competitive field that some analysts believe will grow 100 percent a year for the next five years. The company said the computer, which is to be available Sept. 15, weighs 26 ounces (728 grams) and measures 10 inches (25.4 centimeters) by 5 inches by 1.4 inches.

## Fluor Gets \$200-Million Contract

IRVINE, Calif. — Fluor Corp. said Monday that it has won a \$200-million contract from Atlantic Richfield Co.'s Arco Dubai Inc. unit covering the first phase of an oil and gas processing plant in the Marjan field in Dubai.

Arco Dubai is the operator of the project in participation with British Ltd. of London, formerly part of British National Oil Corp. Fluor said it will perform engineering and procurement services and develop a project cost estimate.

Fluor said the project's first phase will include a gathering system and treating facilities for 20,000 barrels of oil a day, a reinjection facility, a 40-mile (64-kilometer) pipeline to new storage tanks and a loading terminal at Jebel Ali, Dubai.

## Grundig Asks Protection From Asians

DUESSELDORF — Max Grundig, founder and supervisory board chairman of Grundig AG, called Monday for measures to protect European home electronics industry against what he called the misuse of competition by Asian companies.

Mr. Grundig said in a speech at a hi-fi and video trade fair here that Asian manufacturers must be persuaded to abide by the laws of the free market. He asked the West German government and the European Economic Community to protect European companies but did not specify what measures he would like to see. He said he was against such measures as customs barriers.

Asian countries, particularly Japan, helped by lower costs and hidden subsidies, have built up huge capacity for production and sell in the United States and Europe at artificially low prices, Mr. Grundig said. Grundig had a group loss of some 40 million Deutsche marks (\$16.3 million) in the year to March 31, 1981, on turnover of 2.9 billion DM.

Compiled from Agency Dispatches

## Brokers Think Silver's Time May Have Come

By H. J. Maidenberg

New York Times Service

## Silver Price Tops \$8 an Ounce

Compiled by Our Staff From Dispatches

LONDON — The price of silver rose in hectic trading to close at \$8.08 an ounce Monday, up 59 cents from Friday's close. It was the first time it had traded above the \$8-an-ounce level since February. On New York's Commodity Exchange, it closed at \$8.01 an ounce, up 23 cents.

Gold was quoted in London as high as \$397 an ounce before closing at \$395.50, up \$11.25 from Friday's close. After substantial gains last week, it began trading at \$378.85 an ounce, down from \$384.25. Analysts said that despite this profit-taking pressure, the price moved higher on speculative buying. On the Comex in New York, gold closed at \$399.20 an ounce, up \$12.70.

The other view was that silver took off from that level in the fall of 1979 and did not stop climbing until it reached its record price.

While not even the most courageous silver bull today thinks the metal will cross the \$50 mark in the foreseeable future, two of the major houses in the precious metals industry believe there are enough sound reasons why the metal should interest investors.

## Rising Demand

They are Handy & Harman, a leading fabricator of silver and other precious metals, and J. Aron & Co., the giant commodities brokerage house acquired last year by Goldman, Sachs & Co., investment bankers. This Wednesday, J. Aron will start marketing silver bullion made by Handy & Harman to the public through banks, brokerage houses and other retail dealers for the first time.

More important, J. Aron promises to create a highly liquid two-way market in their bars in which the buy-sell spread would be narrower than is commonly the case in precious metals bars, the company said.

Because a number of their competitors, such as Engelhard, Morton Metals and Johnson & Matthey, also offer silver bullion, what prompted the Handy & Harman J. Aron entry into this market at this time?

The question was first addressed to M.H. Townsend, chairman of Handy & Harman, who said last

## INTERATIONAL

## Soviet Order Crucial For John Brown PLC

By Steven Rattner  
New York Times Service

LONDON — Until the era of trans-Atlantic passenger ships drew to a close, the name of John Brown Engineering was synonymous with ocean transport. From the Lusitania in 1907 to the Queen Elizabeth 2 in 1967, many of the world's great ocean liners were built in the John Brown yards along the River Clyde.

Now the name has become popular again, this time because of the company's involvement in the production of 21 gas turbines for the natural gas pipeline to be built by the Soviet Union from Siberia to Western Europe.

These highly profitable turbines, under construction in the building where ship engines were once made, have become just as crucial to the company's fortunes as the "Queens" were in their day.

## "Tough" Year

In the year ended March 31, 1982, the company earned the equivalent of \$42.2 million before taxes, roughly equal to pretax earnings the year before. (After-tax results were skewed by tax accounting changes in the previous year.) But the company also charged off \$15.6 million for plant closures and layoffs and paid \$9.5 million in dividends to shareholders and \$7.3 million in income taxes. All told, retained profits dropped by \$3.3 million, compared with an increase of \$26 million in the previous year.

Not in the outlook any better. The current year is going to be very tough," said Sir John Mayhew-Sanders, the chairman of John Brown PLC, as the holding company is now known. "Unless an unexpected and substantial economic revival starts soon," he added in a recent statement, "we shall make less profit this year than we did last."

Sir John has declined to give interviews, without explaining why. But at a recent news conference, he made clear that his company was uncomfortable in the midst of the raging political dispute surrounding the pipeline project.

"We're certainly in no position to take sides in a political argu-



The Associated Press

A turbine being built by John Brown in Scotland.

ment," he said on Aug. 2, the day his company was ordered by the British government to deliver the turbines, despite Washington's objections to the project. "It's a very unhappy situation."

The United States wants to deny the use of U.S. technology in contracts for the Soviet pipeline. The turbines, which facilitate the flow of gas at stations along the pipeline, are designed with U.S. technology. Washington has threatened to penalize companies that disobey the sanctions. The Europeans, in turn, have delivered a formal protest against the sanctions.

The experience of John Brown, which has diversified into a broad range of engineering and industrial products, helps to illustrate why

(Continued on Page 9, Col. 1)

## Wall Street Prices Continue Upswing In Hectic Trading

Compiled by Our Staff From Dispatches

NEW YORK — Prices on the New York Stock Exchange extended their record-breaking rally through a seventh session Monday as volume exceeded 100 million shares for the second time.

The Dow Jones industrial average faltered briefly at the opening, dropping 4 1/4 points in the first half hour, but then turned around to close with a gain of 21.88 points at 891.17. Advances overwhelmed declines by a 13-to-3 margin.

Investors continued to flood the market, and turnover totaled 110.3 million shares, the second highest on record. Friday's turnover of 95.89 million shares was the prior second place day.

The Dow average has now gained more than 114 points since Aug. 12, when it closed at its low for the year of 776.92.

"The market is on a one-way street moving up," Chester Pado of G. Tsai & Co. said.

Analysts said both the rally and the heavy trading activity were fueled by the large amounts of cash held by institutions that are now being invested in the market.

"There is an enormous pressure on portfolio managers to take funds out of the credit markets and invest them in stocks," Mr. Pado said.

John Smith of Fahnestock & Co. said Monday's gains were more significant than those last week because they reaffirmed that the rally is of a lasting nature rather than a knee-jerk reaction to interest-rate cuts.

"Today proves that demand is much greater than any selling pressure that could develop," Mr. Smith said.

The summer rally has been propelled by a sharp decline in both long- and short-term interest rates over the past month and predictions they would move even lower.

The stocks that recorded the best gains and the highest volumes tended to be concentrated in basic industries, retailing, consumer products and transportation, all of which would be among the first to benefit from an economic recovery.

The Dow Jones transportation average, a cyclical index, jumped 13.27 points to 337.31. Wall Street generally reads the transportation average as a precursor of trends in the market.

On the NYSE floor, IBM, a widely held institutional favorite, was among the most active and gained 1 1/2 to close at 694.

Exxon attracted attention following a block of 100,000 shares at 274. It closed up 3 1/2 at 28. Other oil stocks showed strength even though the outlook for the industry at present is not bright.

Cities Service, which rose 12% last week as Occidental Petroleum began a \$50-a-share offer for 49 percent of its stock, closed off 3% at 424.



Jesus Silva Herzog

## Way Cleared for AT&amp;T Breakup

The Associated Press

WASHINGTON — A federal judge Monday refused a Justice Department request that he bar the 22 Bell System operating companies from marketing complex telephone switchboards when they are split off from American Telephone & Telegraph.

The department had asked U.S. District Judge Harold H. Greene for such a prohibition when it and AT&T said last week that they would accept Judge Greene's conditions for approving their antitrust settlement.

Assistant Attorney General William F. Baxter, head of the Justice Department's antitrust division, asked that the operating companies be forbidden from marketing switchboards until such time as he could be assured the activity would not hurt other competitors.

But Judge Greene said in a memorandum filed Monday that the operating companies will be relatively small corporations with fewer opportunities for anticompetitive conduct than have been available to the Bell System.

The department and AT&T said last week they will submit papers ending the antitrust case to Judge Greene by this Thursday. He said Monday he will sign those papers as soon as they are filed.

## British Bankruptcies

Reuters

LONDON — Personal and business failures resulting in bankruptcy rose 30 percent in Britain last year to 4,820, with estimated liabilities 162 percent higher at \$189 million, the Department of Trade said Monday.

Judge Greene said the local operating companies will enter the

telephone equipment business "with a zero market share — certainly a difficult starting point from which to establish a monopoly position."

In addition, he said, because the local companies will not be permitted to manufacture the equipment, they would have to coordinate with other companies, which would make discriminatory practices riskier and less profitable.

Judge Greene also said the companies would be able to induce customers to buy from them rather than from lower-priced sellers only "if they made it known, by word or deed, that they would install and maintain their own equipment more rapidly or more efficiently than the equipment sold by others."

"That being so, it may reasonably be assumed that disadvantaged manufacturers or customers would quickly discover the offending practices and bring them to the attention of the Department of Justice for corrective action," he added.

Once Judge Greene has given final approval, AT&T has six months to submit a detailed reorganization plan explaining exactly how it will go about shedding the 22 operating companies.

All of these Securities have been offered outside the United States.

This announcement appears as a matter of record only.

New Issue / August 19, 1982.

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## CURRENCY RATES

Interbank exchange rates for Aug. 23

## Dow Jones Averages

	Open	High	Low	Close	Chg.	% Chg.
30 Ind.	116.68	116.71	116.57	116.71	+0.03	+0.03%
25 Trn.	324.27	324.37	324.22	324.27	+0.05	+0.02%
25 Trn.	115.37	115.42	115.32	115.37	+0.14	+0.12%
65 Ind.	112.24	112.37	112.29	112.37	+0.05	+0.04%

## Standard &amp; Poors Index

	High	Low	Close	Chg.	% Chg.
Commons	116.49	117.08	116.71	+0.05	+0.04%
Utilities	124.76	124.76	124.52	+0.24	+0.19%
Finance	131.16	131.25	131.25	+0.25	+0.19%
Transp.	118.76	119.39	118.87	+0.78	+0.67%

## Odd-Lot Trading in N.Y.

	Aug 20	Aug 19	Aug 18	Aug 17	Aug 16
Adv.	158,115	157,925	157,737	157,550	157,363
Vol. Up	152,710	152,518	152,326	152,134	151,942
Vol. Down	117,48	117,293	117,105	116,918	116,727
Total	275,895	270,043	265,862	262,054	258,089

## Market Diaries

## NYSE

## AMEX

## Close

## Prev.

## Close

## High

## Low

## Close

## Chg.

## %

## Chg.

## Chg.

## %

## Chg.

## Interest Rate Decline and Tax Rise Boost U.S. Executives' Confidence

By Barry J. Fader  
*New York Times Service*

NEW YORK — The drop in interest rates, plus the administration's victory in passing its tax package, have greatly increased business confidence that a modest recovery will take place this year and continue at least through next year's first half.

A wide variety of business executives interviewed last week after passage of the tax bill agreed on this outlook, but none said that his company had altered production or capital investment plans as a result.

"The scenario of a modest pick-up is now more likely," said Lewin Chilman, chief economist at Chase Econometrics, a Bala Cynwyd, Pa., consulting concern, which sees real growth in the gross national product reaching 3 to 4 percent over the next 12 months. "Some of the downside risk has been eliminated," he added.

Greenspan's Doubts

"What happened is what we thought would happen," said Robert Loughridge, director of economic and strategic planning at Good Year Tire & Rubber Co. in Akron, Ohio. Mr. Loughridge and many of his peers at other industrial concerns indicated that, although the drop in interest rates had been more precipitous than anticipated, it also had been tardy.

"We are not quite as optimistic as some on Wall Street on how far down rates will come," said Mr. Loughridge. He added that the company's views on interest rates and the general state of the economy had led it to plan for a flat first half of 1982 and 2 to 3 percent growth during second half and into 1983. "The events of the last few days seem to corroborate our views," he concluded.

Alan Greenspan, who was the chief economic adviser to President Ford and is an outside adviser to President Reagan, also expressed caution on hopes for a

recovery. Last week's record 81-point jump in the Dow Jones industrial share average, he said, was more of an "oscillation" than an indicator of future economic growth.

"There is no doubt that there is very little evidence of a recovery," he said Sunday on a television news program. "We can expect the economy to just creep upward in the next six to nine months, or even a year," he added.

Falling interest rates are the basic reason for the gathering confidence in the business community. High rates have hurt virtually all businesses and have pushed some to the verge of collapse. It was the priority placed on lower interest rates that led business leaders to praise the tax package, which was designed to narrow federal budget deficits, a goal that was in turn regarded as a crucial sign that the government would attempt to limit its borrowing needs in order to reduce upward pressure on rates.

### It Had to Be Done

"We don't like the increases," said Satinder Mullik, chief economist at Coming Glass Works, referring to the new taxes and loss of industrial incentives that Congress adopted to provide two-thirds of the \$93.5 billion in revenue gains projected for the next three years.

"But given the choice between that and higher deficits and interest rates, it had to be done."

He added that he had been predicting that the economy would grow at an annual rate of more than 4 percent in the fourth quarter but that he had been forced to scale that projection back in the face of depressing economic statistics and persistent high interest rates during the spring and early summer. "Now, I have gone back to the 4-percent figure," he said.

Jerry Jasnowski, chief economist for the National Association of Manufacturers, does not expect his forecast for growth of 2 to 3



Alan Greenspan

## Hoechst Says Profit Lower In First Half

Reuters

FRANKFURT — Hoechst said Monday that world group pre-tax profit fell by 20.5 percent in the first half of 1982 to 558 million Deutsche marks (\$225 million) despite a 4.5 percent increase in turnover to 17.9 billion DM.

It said that volume sales were up 3 percent in the period.

In an interim report, Hoechst said the summer months have not yet brought any sign of a recovery from the weak levels of business in the second quarter.

Hoechst said results were hurt by weak profitability in the United States and some Latin American countries as well as by petrochemicals and plastics subsidiaries.

Hoechst said it recorded higher than average turnover growth in the areas of information technology, remedies, paints and pigments, and pharmaceuticals.

The fiber business developed well in Western Europe, the company said, but the good results recorded last year in the United States could not be repeated. Plastics and organic chemicals showed no sign of recovery.

Hoechst said the improvement in turnover of its domestic business was price-related but noted that during the second quarter it was unable to pass through further price increases.

Capacity utilization during the second quarter was at 79 percent, the same level as last year.

## Wholesale Prices Up 0.2% in West Germany

Reuters

WIESBADEN, West Germany — Wholesale prices in West Germany rose 0.2 percent in July after a 0.6 percent increase in June, the federal statistics office said Monday.

The wholesale price index, base 1976, rose to 135.1 in July, 7.2 percent higher than in July, 1981. The year-on-year increase in June was 7.8 percent.

The move is part of an effort to reduce inflation, currently about 45 percent a year. The effort includes a bank credit squeeze, imposition of a six-month import tax on some goods and a two-year ban on the purchase of new fishing vessels.

Thyssen Wins Saudi Order

Reuters

DUESSELDORF — Thyssen Saudi Ltd. (Riyadh), a unit of Thyssen AG, has won an order valued at 435 million Deutsche marks (\$177 million) to build a business complex at Jeddah, a company spokesman said Monday.

The move is part of an effort to reduce inflation, currently about 45 percent a year. The effort includes a bank credit squeeze, imposition of a six-month import tax on some goods and a two-year ban on the purchase of new fishing vessels.

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## Citicorp Bid for S&L May Prove a Bargain

New York Times Service

WASHINGTON — Citicorp's costly bid to acquire a California savings and loan association is beginning to look more and more like a bargain, some industry analysts say.

The Federal Home Loan Bank Board's approval last week of Citicorp's proposal to acquire the failing Fidelity Savings and Loan Association of San Francisco was welcomed by analysts of bank stocks, who saw it as a significant crack in the barriers limiting interstate banking.

Still, the cost to Citicorp — \$143 million higher than any other bid — seemed to some analysts a bit too dear, even for a chance to break into the lucrative California retail market. Citicorp initially is paying \$80 million, and it will assume certain other costs in a complicated transaction.

Gas turbines represent just one part of John Brown's business, which has spread not only into other products but also into other countries, particularly the United States, where one-third of the company's work force is now situated. The company derived 60 percent of its revenues last year from exports and foreign subsidiaries.

In the United States, John Brown has acquired in the past three years Lescosa Corp., the leading U.S. plastics machinery manufacturer; Crawford & Russell, a process engineering and contracting company; and Olafson Corp., a machine tool manufacturer.

Analysts generally have approved of the acquisitions, which are intended to strengthen John Brown's place in engineering capital equipment. But they note that the purchases do little to smooth out the cyclical nature of the company's enterprises. In addition, the U.S. businesses were acquired just before the recession, which had had a serious effect on earnings.

*London News*

"We've had nothing but rotten news on John Brown for a year," said John McGee, an analyst with Rowe & Pitman, a securities firm.

Last year, the company made more than 80 percent of its profits in engineering and construction. But the earnings resulted in large part from an order backlog, which has not been maintained.

"New business is now very hard to come by and activity levels this year will be down," Sir John said recently.

Nevertheless, many analysts are hopeful about the company's prospects over the longer term, in large part because John Brown has improved its corporate management.

In 1978, Sir John replaced Lord Aberconway as chairman, ending a family stewardship that began in 1956. Sir John, 50 years old, was trained as an accountant and joined the company in 1972. In 1975, he became chief executive.

The company recently brought in American managers from its newly purchased subsidiaries. For example, Robert G. Page, head of Lescosa, in Warwick, R.I., has been given responsibility for all of the company's industrial products, including those made in Britain.

"It's certainly a lot better managed company than it was," said one analyst who asked not to be identified. "A lot of the right things are happening."

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## Paris Commodity Futures Trading Sags

### Brokers Fear Small Volume, Restrictions Could Spell End of Some Contracts

By Roger May  
*Reuters*

PARIS — French attempts to cash in on the boom in world commodity futures trading by increasing activity in markets for sugar, coffee, cocoa and soya meal are running into severe difficulties, traders here said Monday.

If the future of the French cocoa market is doubtful, the outlook for soya meal futures is positively bleak.

French trading in soya meal, a key ingredient in many animal feeds, ceased in December, 1978, when the market closed because of lack of interest.

Since then, technical adjustments to market rules to attract speculators and the French feed industry have failed. On some days, no trades at all are recorded.

Some analysts are forecasting the collapse of the cocoa market and give the soya meal futures market, relaunched with great fanfare in June, only a few months to live.

Hopes that commodity trading on the Paris Bourse de Commerce can approach the activity of markets in London and New York remain a distant dream, the analysts said.

While commodity trade in general has been hit by falling prices and low demand stemming from economic recession, French activity remains well below that of its main rivals.

Last year turnover on the French sugar market totaled only 12 million tons compared with 135.5 million in New York and 94.4 million in London.

French coffee activity in 1981 totaled 419,000 tons, compared with 10.1 million in New York and 4.96 million in London.

Disappointing

Cocoa futures turnover was even more disappointing, reaching an insignificant 79,000 tons in Paris compared with 9 million in London and 7.01 million in New York.

The French Commodity Brokers' Association forecast that continued poor turnover in coffee and cocoa — commodities crucial to the economies of France's former West African colonies — would persuade traders to use London rather than Paris prices as their reference and to bargain in pounds rather than French francs.

Most analysts agreed that disappointing cocoa and coffee turnover could induce West African traders to deal in pounds and said the trend could accelerate if the French franc, devalued twice since

1980, remains relatively low, analysts said. They do not see an immediate threat to its future.

The problems of the French markets contrast with the boom in commodity trading in other countries.

A total of 17 new futures markets have opened in New York, Chicago and London since the beginning of 1981, and markets have been established in cities such as Sydney, Hong Kong and Tokyo.

One of the main restraints on expansion here is stringent French currency exchange control, tightened by the Socialists to defend the franc, which place Paris at a disadvantage to other commodity futures centers.

Brokers' association President Michel Wiert said other handicaps affecting Paris include the reluctance of French banks to provide risk capital to potential market participants and lack of promotion of French commodity markets in West Africa.

But most analysts agreed that even if these handicaps are overcome Paris will still suffer from the reluctance of overseas investors to play the relatively unimportant French markets and from what traders and brokers see as excessive government interference in the markets' functioning.

Post-war French governments have intervened heavily in financial affairs, and traders here envy the freedom of London commodity dealers.

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Open High Low Settle Chg.

## U.S. Futures Prices

## Grains

	Open	High	Low	Settle	Chg.
<b>WHEAT</b>					
Aug	2.61	2.64	2.62	2.64	+.02
Sep	2.61	2.67	2.65	2.67	+.02
Oct	2.61	2.67	2.65	2.67	+.02
Nov	2.61	2.67	2.65	2.67	+.02
Dec	2.61	2.67	2.65	2.67	+.02
Mar	2.61	2.67	2.65	2.67	+.02
May	2.61	2.67	2.65	2.67	+.02
Jul	2.61	2.67	2.65	2.67	+.02
Sep	2.61	2.67	2.65	2.67	+.02
Prev. sales 28,071					
Prev. day's open int 51,627, off 2,442.					

CORN

	Open	High	Low	Settle	Chg.
<b>CORN</b>					
Sep	2.25	2.27	2.25	2.27	+.02
Oct	2.25	2.27	2.25	2.27	+.02
Nov	2.25	2.27	2.25	2.27	+.02
Dec	2.25	2.27	2.25	2.27	+.02
Mar	2.25	2.27	2.25	2.27	+.02
May	2.25	2.27	2.25	2.27	+.02
Jul	2.25	2.27	2.25	2.27	+.02
Sep	2.25	2.27	2.25	2.27	+.02
Prev. sales 28,542					
Prev. day's open int 71,700, off 647.					

SOYBEAN MEAL

	Open	High	Low	Settle	Chg.
<b>SOYBEAN MEAL</b>					
Sep	16.03	16.05	16.03	16.05	+.10
Oct	16.03	16.05	16.03	16.05	+.10
Nov	16.03	16.05	16.03	16.05	+.10
Dec	16.03	16.05	16.03	16.05	+.10
Mar	16.03	16.05	16.03	16.05	+.10
May	16.03	16.05	16.03	16.05	+.10
Jul	16.03	16.05	16.03	16.05	+.10
Sep	16.03	16.05	16.03	16.05	+.10
Prev. sales 18,674					
Prev. day's open int 73,699, off 422.					

SOYBEAN OIL

	Open	High	Low	Settle	Chg.
<b>SOYBEAN OIL</b>					
Sep	1.08	1.09	1.08	1.09	+.01
Oct	1.08	1.09	1.08	1.09	+.01
Nov	1.08	1.09	1.08	1.09	+.01
Dec	1.08	1.09	1.08	1.09	+.01
Mar	1.08	1.09	1.08	1.09	+.01
May	1.08	1.09	1.08	1.09	+.01
Jul	1.08	1.09	1.08	1.09	+.01
Sep	1.08	1.09	1.08	1.09	+.01
Prev. sales 1,863					
Prev. day's open int 7,496, off 97.					

LIVESTOCK

	Open	High	Low	Settle	Chg.
<b>LIVESTOCK</b>					
Sep	1.07	1.08	1.07	1.08	+.01
Oct	1.07	1.08	1.07	1.08	+.01
Nov	1.07	1.08	1.07	1.08	+.01
Dec	1.07	1.08	1.07	1.08	+.01
Mar	1.07	1.08	1.07	1.08	+.01
May	1.07	1.08	1.07	1.08	+.01
Jul	1.07	1.08	1.07	1.08	+.01
Sep	1.07	1.08	1.07	1.08	+.01
Prev. sales 4,003					
Prev. day's open int 14,047, off 41.					

Metals

	Open	High	Low	Settle	Chg.
<b>METALS</b>					
COPPER	61.50	61.55	61.50	61.55	+.05
Oct	61.50	61.55	61.50	61.55	+.05
Nov	61.50	61.55	61.50	61.55	+.05
Dec	61.50	61.55	61.50	61.55	+.05
Mar	61.50	61.55	61.50	61.55	+.05
May	61.50	61.55	61.50	61.55	+.05
Jul	61.50	61.55	61.50	61.55	+.05
Sep	61.50	61.55	61.50	61.55	+.05
Prev. sales 1,007					
Prev. day's open int 61,624, off 303.					

Markets

	Open	High	Low	Settle	Chg.
<b>MARKETS</b>					
Sep	71.40	71.45	71.32	71.42	+.15
Oct	71.40	71.45	71.32	71.42	+.15
Nov	71.40	71.45	71.32	71.42	+.15
Dec	71.40	71.45	71.32	71.42	+.15
Mar	71.40	71.45	71.32	71.42	+.15
May	71.40	71.45	71.32	71.42	+.15
Jul	71.40	71.45	71.32	71.42	+.15
Sep	71.40	71.45	71.32	71.42	+.15
Prev. sales 4,411					
Prev. day's open int 47,543, off 303.					

Pork Bellies

	Open	High	Low	Settle	Chg.
<b>PORK BELLY</b>					
Sep	11.70	11.75	11.67	11.70	+.05
Oct	11.70	11.75	11.67	11.70	+.05
Nov	11.70	11.75	11.67	11.70	+.05
Dec	11.70	11.75	11.67	11.70	+.05
Mar	11.70	11.75	11.67	11.70	+.05
May	11.70	11.75	11.67	11.70	+.05
Jul	11.70	11.75	11.67	11.70	+.05
Sep	11.70	11.75	11.67	11.70	+.05
Prev. sales 11,411					
Prev. day's open int 47,543, off 303.					

London Metals

	Open</th





## SPORTS

## Navratilova, Lendl Straight-Set Victors

## Jaeger Beaten, 6-3, 7-5, in Canada

*The Associated Press*

MONTREAL — Martina Navratilova recovered from a two-game deficit in the second set to post a 6-3, 7-5 victory over third-seeded fellow American Andrea Jaeger and win the final of the Canadian Open Women's tennis championships here Sunday.

Training, 5-3, in the second set, Navratilova took the next four games, breaking Jaeger's service twice.

Despite missing on more than 50 percent of her first serves in the opening set, Navratilova charged the net aggressively.

Jaeger tried to blunt the attack by hitting ground strokes deep to the corners.

Down 0-2 in games, Jaeger became more aggressive himself.

With Navratilova up 40-love in the third game, Jaeger fought back to deuce and won when Navratilova was wide with a forehand return; Jaeger's blistering serve then tied the match, 2-2. But Navratilova's style began to pay off, as Jaeger netted or was wide with her returns.

Primarily on passing shots and

top-spin lobs, Jaeger took a 2-0 lead in the second set. Navratilova held service and broke to tie, 2-2, but a confident Jaeger won the fifth game at love.

With Jaeger serving for the set at 5-3, Navratilova was at her aggressive best and broke serve. At 5-5, the pressure seemed to get to Jaeger. Double-faulting once and winning only one point, she fell behind, 6-5.

Navratilova showed her considerable mental reserves in overcoming the second-set deficit. "I knew I could pull even at 5-5 and force a tie-breaker, at least, although I wasn't planning to win four straight," she said. "I was just trying to pull even — not to give her the set."

Jaeger said mistakes cost her. "In the second set, I just thought I'd go out and go for my shots, because before I was just sitting back and waiting," she said.

"I won a lot more points, but I also made more mistakes. If you let her take command of every shot, she'll do it."

It was the fourth time this year Navratilova had defeated Jaeger in straight sets and extended her lifetime record to 8-4 against Jaeger.

Fifteen minutes after winning the singles title, Navratilova went back onto the court with partner Candy Reynolds to defeat another American pair, Barbara Potter and

Sharon Walsh, 6-4, 6-4, to take the doubles crown.

"I'm kind of waiting until after the U.S. Open to be over so I can put up my feet and relax," said Navratilova.

The singles victory was Navratilova's 64th in 65 matches this year and her combined winnings Sunday pushed her 1982 earnings to \$1,092,000.

"It's a pretty awesome record, but I've paid for it," said Navratilova, who will take a week off in September after the U.S. Open and four more weeks after another tournament later that month.

Navratilova, ranked first worldwide, credits her rigid fitness regimen with keeping her at a competitive edge.

"After practice, I do a series of quick sprints and four to five times a week, I run two or three miles," she said. "Of course, I also do a lot of stretching and I might lift weights for an hour on my days off, which usually works out to three days a week."

Said Navratilova after her doubles triumph: "I could play another two matches and still not be tired."

## Denton Loses ATP Final, 6-2, 7-6

lost to Lendl all three times they have met.

Denton served nine aces, but also double-faulted four times. Lendl had no aces, taking pace off his serve in windy conditions and hitting 80 percent of his first serves.

The victory was worth \$48,000 to Lendl and raised his 1982 earnings to \$1,238,050. Denton collected \$24,000.

"I played very well," Lendl said. "At the beginning of the week, I was not hitting nearly as well." Lendl changed his strategy for Denton, a serve-and-volley specialist.

"I was getting my first serve in," Lendl said. "I tried to serve wide so he could get an open court and so he would have to do a little running. "He's so big," Lendl said of the 6-foot-2, 190-pound Denton. "His body is so huge it's hard to move him. So that's what I was playing for."

The ATP field was the strongest of the year with six of the top 10 players in the world, including John McEnroe, Jimmy Connors, Vitas Gerulaitis, Gene Mayer and Mats Wilander. In comparison, five of the top 10 did not compete at Wimbledon.

Lendl has dominated the men's tennis tour this year, winning three grand prix titles and seven World Championship Tennis events. But he has yet to win a grand slam event — Wimbledon or the French, U.S. or Australian Opens.

He was eliminated in the French this year by Sweden's Mats Wilander, the eventual champion, and didn't enter Wimbledon because he felt he wouldn't have enough practice time on grass. That leaves the U.S. Open, which begins next week in New York.

McEnroe, the defending ATP champion who was ousted by Denton in the semifinals, teamed with Peter Fleming to win the doubles, downing Denton and Mark Edmondson of Australia, 6-2, 6-3.

McEnroe, who until recent disappointments, would have been a solid favorite to win the U.S. Open, isn't so sure now. Asked Sunday if he was frustrated or disappointed or looking forward to the open, McEnroe replied: "I'm frustrated, disappointed and looking forward to the open."



Ivan Lendl, in action against Steve Denton in the ATP final.



Atlanta pitcher Rick Mahler slid under Met catcher Ron Hodges in the second inning for the first run in a 10-9 victory Sunday.

## 2-Run Homer by Jackson Puts Angels in First

Compiled by Our Staff From Dispatches

ANAHEIM, Calif. — Reggie Jackson hit a two-run home run in the seventh inning here Sunday to rally the California Angels to a 6-5 victory over Detroit and into first place in the American League Western Division.

The Tigers had taken a 2-0 lead in the fourth on Larry Herndon's two-run homer, his 18th of the season, and in the fifth widened the edge to 3-0 on Rick Leach's third home run of the year.

California scored four times in the fifth on singles by Joe Fergie.

## BASEBALL ROUNDUP

son, Rob Wilfong, Brian Downing and Jackson and Doug DeCinces' run-scoring fielder's choice.

Detroit regained the lead in the sixth. Herndon led off with a double, took third on a wild pitch by Bruce Kison and scored when DeCinces booted a grounder by Lance Parrish. Parrish later scored on a single by Tom Brookens.

In the seventh, after a one-out single by Rod Carew, Jackson hit reliever Dave Rucker's 3-2 fastball over the left-field fence for his 29th home run of 1982.

Jackson recalled that Rucker (2-4) had struck him out Saturday night, when "I just tried to make contact, and he got the ball by me. Today," said Jackson, "I went to the plate and said, 'Hey, I'm just going to swing the bat and do what I do best — swing hard in case the ball is in the way.' My job is to hit home runs."

Luis Tiant started for the Angels but left after the fourth with stiffness in his upper back. He allowed four hits and two runs. Reliever Luis Sanchez (5-2) was the beneficiary of Jackson's adjustment.

Yankees 3, Blue Jays 1

In New York, Ken Griffey hit a two-run fourth-inning homer and

## Major League Standings

NATIONAL LEAGUE

Eastern Division

Western Division

AMERICAN LEAGUE

Eastern Division

Western Division



Reggie Jackson

'My job is to hit home runs.'

Dave Righetti allowed five hits through seven innings to lift the Yankees to a 3-1 decision over Toronto.

## Indians 4, Twins 3

In Cleveland, pinch runner Jack Perconte scored on an infield single to rally the California Angels to a 6-5 victory over Detroit and into first place in the American League Western Division.

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## Sunday's Line Scores

AMERICAN LEAGUE

Toronto 15, New York 14

New York 15, Detroit 14

Baltimore 15, Boston 14

Chicago 15, Cleveland 14

Milwaukee 15, Detroit 14

St. Louis 15, Atlanta 14

San Francisco 15, Los Angeles 14

Seattle 15, Texas 14

Oakland 15, California 14

Texas 15, Colorado 14

Minnesota 15, Kansas City 14

Cincinnati 15, Philadelphia 14

New York 15, Atlanta 14

Milwaukee 15, St. Louis 14

Chicago 15, Detroit 14

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## LETTER FROM HEIDELBERG

### Baroque for Foreigners

By Paul Radford

Review

HEIDELBERG, West Germany — The baroque buildings and narrow streets and alleys of Heidelberg's old town virtually unchanged for more than 200 years, have long been a mecca for tourists. But these days the city's well-deserved reputation as the capital of German romanticism seems to appeal less and less to West Germans.

Two years ago, for the first time, foreign tourists outnumbered the domestic, and the trend is accelerating. This year the city tourist office expects three out of every five visitors to be foreigners.

Faced with domestic criticism that Heidelberg has lost much of its romantic appeal in recent years, the city authorities are concentrating their efforts on attracting overseas tourists, for whom Heidelberg's ornate architecture and light-hearted approach to life seem to be as satisfying as ever.

The tourist office attributes the fall in West German visitors to economic problems. Many West Germans have cut their holidays to one a year, and then most head for the Mediterranean, a tourist offshoot.

Heidelberg, with its ruined castle overlooking the red-tiled roofs and pastel-shaded walls of the old town on the banks of the Neckar River, has been a popular destination for foreigners for more than 100 years. But its prominence soared in the 1920s with the unlikely help of a Hungarian immigrant to the United States.

Sigmund Romberg's operetta "The Student Prince," based on the play "Old Heidelberg," was a Broadway smash hit and prompted thousands of Americans to go see what the real thing was like.

More than 50 years later they are still coming in droves. One in six visitors to Heidelberg is American, many of them attracted by the chance of seeing "The Student Prince" performed (in English) in the castle grounds.

Heidelberg, though ravaged by the French on a number of occasions in the 17th century, escaped bombing during World War II. It is said that the city was deliberately spared by the Allies. Some people claim to have seen leaflets dropped from U.S. bombers announcing that Heidelberg would be spared so that Americans could live there after the war.

The story may be apocryphal.

but Heidelberg eventually was the site chosen by the U.S. Army for its European headquarters and their families form a large minority of the population today. A growing number of Japanese are also discovering the city.

Though its charms are plainly not lost on the 300,000 foreigners who arrive every year, many West Germans maintain that Heidelberg is not as romantic as it used to be.

The construction of a modern department store and the pulling down of many picturesque buildings in Bismarckplatz several years ago were unwelcome alterations of the city's 18th-century atmosphere. A wave of protest spawned groups dedicated to stopping the undermining of Heidelberg's romantic character. Their efforts have been largely successful in the last three or four years.

#### Face Saving

City authorities have played their part by insisting that old facades be retained when buildings are renovated. Four years ago they also barred vehicles from the center of the old town. But such attempts do not always escape criticism. Many residents preferred the time when trams and horse-drawn carriages were allowed through the cobblestoned thoroughfare.

There is also nostalgia about the disappearance of student traditions in the city, whose university was founded in 1386. Today there are 27,000 students in Heidelberg, more than one in five of the population, but the brightly colored caps and sashes they used to wear are rarely seen nowadays.

They even behave less colorfully, it seems. The students' prison, used for 200 years to control drunkenness and rioting, was closed in 1914, perhaps because undergraduates can no longer afford the prices in the famed student taverns, now frequented by tourists.

Drinking was also a popular court pastime in Heidelberg's golden age. The castle boasts one of the world's largest wine vats, finished in 1751, with a capacity of 49,000 gallons (185,500 liters).

It was guarded by the court jester, Kasper, a jovial character well in keeping with Heidelberg's cheerful image, who reportedly made good use of his post. Legend has it that he died after accidentally drinking a glass of water.

*Art Buchwald is on vacation.*

## Too Wild to Harness

### Awe Is Warranted During a Thunderstorm

By Christian Williams

Washington Post Service

NORMAN, Okla. — It has been 3 billion years since thunder and lightning storms split the water vapor, hydrogen, nitrogen, methane and ammonia of the dead primeval sky to rain down oxygen, the stuff of life.

"That's one of the theories, at least," said Edwin Kessler, head of the National Severe Storms Laboratory. "You can have lightning discharge in many types of atmospheres — even the dust clouds of volcanoes are full of them. The primitive storms would've been much like ours."

The view from Kessler's office window in Norman is of a sprawling Southwestern plain where thunderheads often appear to spin the dials of his instruments and light up sophisticated Doppler radar equipment. Kessler and his staff recently published a three-volume report, "Thunderstorms: A Social, Scientific and Technological Documentary." The study has applications to water management, farming, housing, aircraft routing, tornado prediction and commerce in nearly all its forms. It also suggests the limits of technology in the face of nature.

A thunderhead is a bubble of the atmosphere boiling up like water on a stove. Warm, moist air, heated by the sun, rises in a cell, cools as it gains altitude, then descends in a hall of rain and ice. Within the cloud, which sometimes rises 40,000 feet (12,200 meters) or more, tremendous electrical discharges occur, bombarding the ground with bolts and shock waves.

Awe at this great natural firework display is warranted. Between 1959 and 1979, 2,210 Americans were killed by lightning. Deaths by floods caused by thunderstorms average about 165 a year, with annual property damage well over \$100 million.

"Thunderstorms shouldn't be painted as malicious, although they always seem to be," Kessler said. "It's just that they don't tolerate foolishness well."

"Actually, I think meteorology has been a little overpromoted," Kessler said. "I myself have a more monastic outlook. Take tor-

wire fence. Most lightning kills by ground effect. The bolt hits the tree, then sends a localized charge of several thousand volts through the nearby ground. If you're standing there, it goes up one foot, passes through your body and comes out the other foot. It's just common sense, but that doesn't help catch very much. I've seen pictures of as many as 22 cows killed by a single bolt. Apparently they were huddled together in the rain, touching each other."

#### Latent Heat

Research published by Kessler's laboratory shows that an average lightning stroke represents energy of 10 to the ninth power of calories, or about 1,000 kilowatt hours' worth. The kinetic energy of one large thunderstorm, if paid for at the rate of 1 cent per kilowatt hour, would cost nearly \$1 million. In a thunderstorm day in which two inches of rain falls over an area the size of Washington, D.C., the latent heat released is the equivalent of 350 Hiroshima bombs.

As a result of Kessler's laboratory — and other facilities of the National Oceanic and Atmospheric Administration — a great deal is now known about thunderstorms and their effects on airplanes, crops, flood plains and insurance rates (U.S. farmers paid \$300 million in 1975 to insure crops against fires).

Meteorology has become something of a fad in the United States. In Tulsa, Okla., a local television station maintains a staff of three handsome weathermen; every radio station constantly updates its forecasts; NBC's "Today" show treats it as entertainment; cable TV plans to introduce a 24-hour-a-day color channel devoted to forecasts.

The result has been a demystification of weather patterns — and perhaps an unfriendly reliance on what Kessler calls Big Brother. When everybody knows something about the weather, the implication is that something can be done about it.

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nadoes, for example. They are very severe, highly localized phenomena, and in fact they are very rare. The public has now become sensitized to tornadoes quite out of proportion to the threat. The fact is, we have no practical way to allay the danger of tornadoes. The best warning device for tornadoes remains your eyes."

There is some evidence that humans have worsened the natural violence of thunderstorms. Lightning from storms sets about 10,000 forest fires a year in the United States. Before civilization, such fires occurred in natural cycles, burning off underbrush and contributing to the health of forests. Now many such fires can be prevented. But when one gets going, it has more fuel than ever — since ground clutter has been spared regular burning — and truly catastrophic fires can result.

Flash floods, which typically occur after heavy thunderstorms, are the greatest weather threat in the United States. Eight-five percent of all presidential disaster proclamations relate to flooding. And the danger seems to be worsening: The death toll averaged about 200 a year in the 1970s — twice the rate of the 1960s and triple that of the 1940s. The increase seems to be the result of urbanization, increased use of recreation areas in flood-prone land, and dam failures.

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Bill Sweet, The Washington Post

can be a fatal mistake, as roads often parallel stream beds. In the Kansas City flash flood of 1977, 17 of 25 deaths occurred in cars. Many of the victims of Big Thompson Canyon, one study shows, could have escaped harm by abandoning their automobiles and climbing 24 feet up the canyon walls.

Humans may be learning — as a forced lesson of ecology, economics and simple survival. Artificial rainmaking, once a darling of technological potential, is now pretty much kaput. A headline in the Aug. 6 issue of Science magazine reads: "Cloud Seeding: One Success in 35 Years."

"Yes," Kessler said, "cloud seeding was really always a placebo for proper water development programs. It was still a very prominent idea just five years ago. Characters like me have dashed those hopes, I'm afraid."

Project Skyfire, a program by which tiny aluminum needles were dumped in thunderclouds to suppress lightning and hail, has been terminated, its results uncertain. Project Stormfury, an aggressive plan to seed the outer clouds of hurricanes and snuff out their dangerous inner winds, also has been dismantled.

In a way, it is almost a comfort to know that the lavish, oftentimes thunderous, but brief blast away the tepid nights of summer remain beyond precise prediction and too wild for harness.

A political row has erupted over the nomination of the novelist and essayist Ernst Jünger for a major West German literary award, the Goethe Prize, which Frankfurt, birthplace of Johann Wolfgang von Goethe, awards every three years. The Social Democratic opposition on Frankfurt's city council says it will boycott presentation of the award to Jünger, 87. In the 1920s he was an advocate of German nationalism but he later aroused the enmity of the Nazis with such books as the anti-totalitarian "On the Marble Cliffs" (1939) and is said to have been indirectly involved in an officers' plot to kill Hitler. Frankfurt's mayor, Walter Wallmann, a Christian Democrat, defended the award, saying Jünger parted company with the Nazis long before they came to power. But a Social Democratic council member, Friedlde Bäuerle, said his party was worried "about the impact that this award will have on young people in our country and on re-emerging subconsciously trends towards xenophobia, anti-Semitism and ultra-nationalism."

Past winners of the prize, worth 50,000 Deutsche marks (about \$20,000), include Albert Schweitzer, Sigmund Freud and Thomas Mann.

British Prime Minister Margaret Thatcher, 56, was admitted to a London hospital Monday and underwent minor surgery on veins in her legs. She was expected back at 10 Downing St. later in the day, her office announced. "This is a routine visit for minor treatment," a spokesman said. No other details were disclosed. Mrs. Thatcher and her husband, Denis, returned to London on Sunday from a 10-day vacation in Switzerland. She has had no previously reported health problems during her tenure as prime minister.

A team led by former U.S. astronaut James B. Irwin, unsuccessful so far in their search for the biblical Noah's ark, said Monday that they may use a plane to continue their expedition on Mount Ararat in Turkey. "We have found clues which will possibly lead us to the ark, but a much better expedition with technical equipment should be held," said Yael Domiez, a Turkish-American from Chicago who is the spokesman for the group. "If we are able to hire a plane for 16 passengers, we are

defending champion Robert Duck of Bosque, N.M., raced "Quacky Simon" to victory in the third annual Great American Duck Race in Deming, N.M. Duck — that's his real name — picked up \$1,500 as his entry out-waddled seven other finalists.

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Henry Fonda left the bulk of his estate to his widow, Sherry, and his adopted daughter, but nothing to Jane and Peter, his children by his second wife, Frances Brooks, according to his will filed for probate in Los Angeles Superior Court. The actor died Aug. 12 at age 77. "I have made no provision in this will for Jane or Peter, or for their families, solely because in my opinion, they are financially independent, and my decision is not in any sense a measure of my deep affection for them," Fonda said in the will, dated Jan. 22, 1981. Jane Fonda is an actress and is married to the political activist Tom Hayden. Peter Fonda, an actor and director, had originally been designated co-executor of his father's estate, along with his stepmother and a family friend, Richard M. Rosenthal. But Henry Fonda amended the will in July, 1981, to name his wife and an attorney, Paul Ziffren, co-executors. Fonda left \$200,000 to Any Fonda Fishman, whom he and his third wife, the actress Susan Blachard,

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